



State of Louisiana  
Louisiana Department of Health  
Bureau of Health Services Financing

MEMORANDUM

**DATE:** September 7, 2017  
**TO:** All Louisiana Medicaid Providers  
**FROM:** Jen Steele, Medicaid Director  
**SUBJECT:** Louisiana Fee-for-Service (FFS) Medicaid 340B Pharmacy Billing Policy Updated-Effective September 12, 2017

Effective September 12, 2017, the Louisiana Department of Health (LDH) Pharmacy Program for Fee-for-Service (FFS) Medicaid will implement an updated 340B billing policy at Point of Sale (POS).

Only providers registered as 340B entities and listed on the HRSA Medicaid Exclusion File may bill drug stock purchased through 340B. The modifiers listed below should be used by 340B entities when submitting pharmacy claims for 340B stock.

- NCPDP: Bill value of "20" in the Submission Clarification Code field (420-DK)
- NCPDP: Bill value of "08" in the Basis of Cost Determination field (423-DN)

Incoming pharmacy claims with 340B modifiers from non-340B pharmacies, will deny with:

**NCPDP rejection code 05** (M/I Pharmacy Number) mapped to  
**EOB code 063** (Not a 340B pharmacy, rebill regular stock)

The pharmacy should resubmit the claim with regular pharmacy stock and remove the modifiers.

Your continued cooperation and support of the Louisiana Medicaid Program efforts to coordinate care and improve health are greatly appreciated.

If you have questions about the contents of this memo, you may contact the Molina Point of Sale (POS) Help Desk (800) 648-0790 or Fee- for- Service (FFS) Pharmacy Help Desk at (800) 437-9101 or refer to [www.lamedicaid.com](http://www.lamedicaid.com).

JS/MBW/GJS

c: Healthy Louisiana Plans  
Melwyn B. Wendt  
Molina