340B Pricing – Effective 2/1/2012 *

Yes

Claim/Encounter flagged as 340B by Provider, OR for 340B Entity as designated in PMMIS?

No

Default to normal pharmacy valuation rules and standard dispensing fee. Eligible for Rebate.

Claim/Encounter for 340B Entity as designated in PMMIS?

340B Entity as designated in PMMIS.

Not a 340B Entity as designated in PMMIS.

Is NDC reported on 340B Fee Schedule?

Flag as 340B Claim/Encounter from a non-340 entity and Deny.

Found on 340B Fee Schedule

Not Found on 340B Fee Schedule

Value at lesser of 340B price OR Billed charges, plus enhanced dispensing fee. Flag as not eligible for Rebate.

Default to normal pharmacy valuation rules, plus standard dispensing fee. Eligible for Rebate.

* - Depending on SPA approval.
Definitions:

340B Claim – A pharmacy claim from a 340B entity or 340B contracted entity, flagged as a 340B claim and where the drug reported is found on the 340B Fee Schedule.

Non-340B Claim – A pharmacy claim from a non-340B/340B contracted entity; OR a pharmacy claim from a 340B entity or 340B contracted entity, not flagged as a 340B claim; OR a pharmacy claim from a 340B entity or 340B contracted entity, flagged as a 340B claim, but drug reported is not found on the 340B Fee Schedule.

Dispensing Fees –
- Claim/Encounter from a 340B entity, for a pharmacy item found on the 340B Fee Schedule, valued at the 340B price = Enhanced dispensing fee
- Claim/Encounter from a 340B entity, for a pharmacy item found on the 340B Fee Schedule, valued at Billed charges (due to lesser of logic) = Enhanced dispensing fee
- Claim/Encounter from a 340B entity, for a pharmacy item not found on the 340B Fee Schedule, valued under normal pharmacy rules = Normal Dispensing fee
- Claim/Encounter flagged as 340B by provider, not a 340B entity valued under normal pharmacy rules = Deny.
- Claim/Encounter not flagged as 340B by provider, not a 340B entity valued under normal pharmacy rules = Normal Dispensing fee

Pharmacy Valuation Hierarchy “To Be” –
Valuation is qualified as the lesser of the billed charges or the calculated valuation (except Negotiated Settlement or PA Special Rate).

- Negotiated Settlement
- PA Special Rate
- PA Rate
- Provider Specific Rate
- Provider Type Rate
- **340B Price (added)**
- AHC – Special Rate
- Generic (dispensed or brand dispensed but not requested and generic available) – Lesser of MAP, EAC or MAC
- Brand (requested and dispensed) – Lesser of EAC or MAC
- Brand (not requested but dispensed, no generic available) – EAC
- Manual Price

Plus Dispensing Fee (Normal or 340B)

Normally do not occur on Pharmacy claims. Component of overall valuation hierarchy.
Key System Changes: (SSR 2011-0224)

- New 340B fields from NCPDP PAH file
- Claims Pricing Logic
- Encounters Valuation Logic
- New edits to compare calculated valuation vs. reported PBM allowed or Health Plan Paid
- New edits to fail when claim/encounter flagged as 340B from a non-340B provider per PMMIS
- 340B Entity Indicator in Provider
- 340B Indicator for claims/encounters paid as 340B for Rebate exclusion