



Separate Reimbursement of Certain Inpatient High-Cost Drug and Biologics (HCCADs)

While Medicaid covers drugs and biologics administered in both inpatient and outpatient settings, those administered in an inpatient setting are usually not reimbursed separately to hospitals. Instead, they are bundled into a Diagnosis Related Group (DRG) payment reflecting all average hospital costs associated with providing care for the patient's primary diagnosis and complications. DRG payments exclude separate reimbursement for high-cost drugs or biologics.

Effective June 2, 2025

Effective June 2, 2025, there will be a change in reimbursement for the following High-Cost Clinician-Administered Drugs (HCCAD):

HCCAD List
HEMGENIX
ELEVIDYS
SKYSONA
LYFGENIA
ZYNTEGLO
ROCTAVIAN
ZOLGENSMA
CASGEVY
KYMRIAH
CARVYKTI
ABECMA
BREYANZI
TECARTUS
YESCARTA

Claims Processing Guidelines

HCCAD are drugs or biologics that HHSC has approved to be “carved out” of the All-Patient Refined Diagnosis Related Group (APR-DRG) and can be billed on an outpatient claim.

The following billing guidelines apply to outpatient claims of HCCAD.

Special requirements for transmitting claims for HCCAD

1. The hospital must claim **separate payment** for the HCCAD on an **outpatient claim**.

2. The claim for the HCCAD must be **separate** from any facility/institutional claim the hospital submits for **all other** hospital services delivered to the member during the same visit. The associated inpatient or outpatient charges with the same date(s) of service are billed separately and remain part of the APR-DRG.

3. Along with the members name, date(s) of service, and other required information, the HCCAD claim **must** include:

- a) The **NDC qualifier** of N4
- b) The appropriate 11-digit **National Drug Code (NDC)** and corresponding **HCPCS code** for the drug; and
- c) The **number of units** of the drug administered to the member that is covered by the claim; and
- d) The **NDC unit of measurement**. There are five allowed values: F2, GR, ML, UN or ME.

4. Hospital are required to submit an invoice of the **actual acquisition cost** of the drug.

Additional details regarding the changes to HCCAD will be available in the **June 2025** Publication of the **Texas Medicaid Provider Procedures Manual: Outpatient Drug Services Handbook**.

Thank you for your valued partnership in caring for our Aetna Better Health Members.

CHIP
Bexar area
1-866-818-0959 (TTY: 711)
Tarrant area
1-800-245-5380 (TTY: 711)

STAR (Medicaid)
Bexar area
1-800-248-7767 (TTY: 711)
Tarrant area
1-800-306-8612 (TTY: 711)

STAR Kids
Dallas and Tarrant areas
1-844-787-5437 (TTY: 711)

Sincerely,

Provider Services
Aetna Better Health of Texas