



Provider Memorandum

340B Medicaid & Medicare Program Requirements

In 2018 CMS established that if a provider is enrolled in the 340B program through HRSA, they must use an identifying modifier when billing for drugs acquired through this program. The drug must appear on the OPPS Addendum B (link below) with a status indicator of K.

The identifying modifiers are either JG or TB. These drugs are then paid at an adjusted rate of average sales price (ASP) minus 22.5%. Drugs that are not part of the 340B program are paid at ASP plus 6%.

As of November 1st, 2022, all providers enrolled in the 340B program for Medicare and Medicaid must use the correct modifier to get claims paid appropriately at the correct rate. To the extent there are any conflicts between this policy and the provider's contract language, the provider contract language will prevail.

For more information, reference the CMS Website [here](#).

Questions?

We're here to help. Contact your Provider Network Manager or email the Provider Network Management team at WIProviderNetworkManagement@MolinaHealthCare.Com or visit MolinaHealthcare.com.

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