Provider Network News

High-Cost Clinician-Administered Drugs (HCCAD): Claims Processing Requirements

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. Effective June 2, 2025, there will be special requirements for transmitting claims for HCCAD, and the following billing guidelines will apply to HCCAD outpatient claims.

1. The hospital must claim **separate payment** for the HCCAD on an **outpatient claim**. PCHP must ensure that payment to the hospital is direct reimbursement for the HCCAD. Payment for the HCCAD must not be bundled with any other service.

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. The date of administration of the drug should be used on the HCCAD outpatient claim.

4. Along with the member's 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
    c. The **number of units** of the drug administered to the member that is covered by the claim
    d. The **NDC unit of measurement**. There are five allowed values: F2, GR, ML, UN, or ME.

5. PCHP will reimburse the hospital at the FFS rate or the actual acquisition cost from the invoice, whichever is less. PCHP will require the hospital to submit an invoice of the actual acquisition cost of the drug.