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Practitioner Administered Drugs: Reimbursement and Clinical Criteria for NYS Medicaid Fee-For Service

NYRx, the Medicaid Drug Program

November 2026

Agenda

- **Medicaid Fee-For-Service and Practitioner Administered Drugs**
  - Reimbursement Updates
  - Prior Authorization and Clinical Criteria Updates
  - Billing Guidance
- **NYRx Education & Outreach Team**
- **Resources**
- **Questions and Answers**

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Reimbursement Updates

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PADs Reimbursement and Clinical Criteria Updates

Practitioner-administered drugs (PAD) are drugs, other than vaccines, that are covered under section 1927(k)(2) of the Social Security Act and are typically administered by a medical professional in a practitioner's office or other outpatient clinical setting.

Updates Beginning on November 19, 2026:

- **Reimbursement**
  In accordance with NYS Social Services Law 367-A, New York State (NYS) Medicaid Fee-for-Service will be changing the pricing benchmarks used to determine the maximum reimbursable amount for **drugs provided by medical practitioners and claimed separately by the practitioners (Professional claim types).**
- **Clinical Criteria**
  Clinical prior authorization (similar to current outpatient pharmacy PAs) will be utilized for certain PADs and subsequently reduce pended claims for manual review.

These changes apply to NYS fee-for-service members only.

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SOS § 367-a: Reimbursement Logic for PADs

PAD REIMBURSEMENT CHANGES 2024/25 ENACTED BUDGET

Practitioner-administered drugs billed separately under the medical benefit are reimbursed as follows:

a. When administered during an office visit, drugs will be reimbursed at the lower of:
   i. National Average Drug Acquisition Cost (NADAC) or, in the event of no NADAC pricing available, Wholesale Acquisition Cost (WAC); or
   ii. the Federal Upper Limit (FUL); or
   iii. the State Maximum Acquisition Cost (SMAC); or
   iv. the actual (acquisition) cost of the drug to the practitioner.

No professional dispensing fee is paid.

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Maximum Reimbursable Amount (MRA)

The Medicaid Program will reimburse for drugs furnished by practitioners to their patients using the benchmarks listed below.

Drug Type	If NADAC is available, reimburse at:	If NADAC is unavailable, reimburse at:
Generics – Multi-Source	Lower of NADAC, FUL, SMAC, or Actual Acquisition Cost	Lower of WAC, FUL, SMAC, or Actual Acquisition Cost
Brands – Sole or Multi-Source	Lower of NADAC, FUL, or Actual Acquisition Cost	Lower of WAC, FUL, or Actual Acquisition Cost
340B Purchased Drug	340B Actual Acquisition Cost	340B Actual Acquisition Cost

Note: Prices used by the Department are reported by First Data Bank (FDB).

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Definitions & Resources

National Average Drug Acquisition Cost (NADAC) prices are a pricing benchmark for prescription drugs, calculated by the Centers for Medicare & Medicaid Services (CMS) from a voluntary survey of retail pharmacies. NYS Medicaid does not have the ability to adjust pricing reimbursement structure for NADAC. Questions related to NADAC reimbursement rates should be directed to:

NADAC Help Desk:

- Toll-Free: (855) 457-5264
- E-Mail: info@mslcrps.com
- Fax: (844) 860-0236

Federal Upper Limit (FUL)
A price ceiling determined by the Secretary of Health and Human Services and used by Centers for Medicare and Medicaid Services (CMS) to control prices for certain medications.

State Maximum Allowable Cost (SMAC)
A maximum reimbursement limit that may be applied when determining the cost of multi-source generic drugs. Prime Therapeutics determines the SMAC for NYRx. Prices. For questions concerning a SMAC price, providers may complete a SMAC Research Request Form. Please note, only claims that use this benchmark are subject to appeal.

Wholesale Acquisition Cost (WAC)
The estimated manufacturer's list price for a drug to wholesalers or other direct purchasers, not including discounts or rebates. The price is defined by federal law.

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NDC Driven Reimbursement

- The MRA for drugs billed via Professional claim types will be determined by the National Drug Code (NDC) reported on the claim instead of the Healthcare Common Procedure Coding System (HCPCS).
- Providers are required to report the NDC for all PADs billed by a practitioner to NYS Medicaid and for all ordered ambulatory claims billed by clinics. For all drugs furnished in this fashion, the practitioner will maintain auditable records of the actual itemized invoice cost of the drug, including the numbers of doses of the drug represented on the invoice.
- **If the NDC is not referenced on a claim, NYS Medicaid will not provide reimbursement for the drug.**
- **Both the HCPCS quantity and NDC quantity must be reported separately and must reflect their respective dosage forms.**

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Provider Categories of Service (COS)

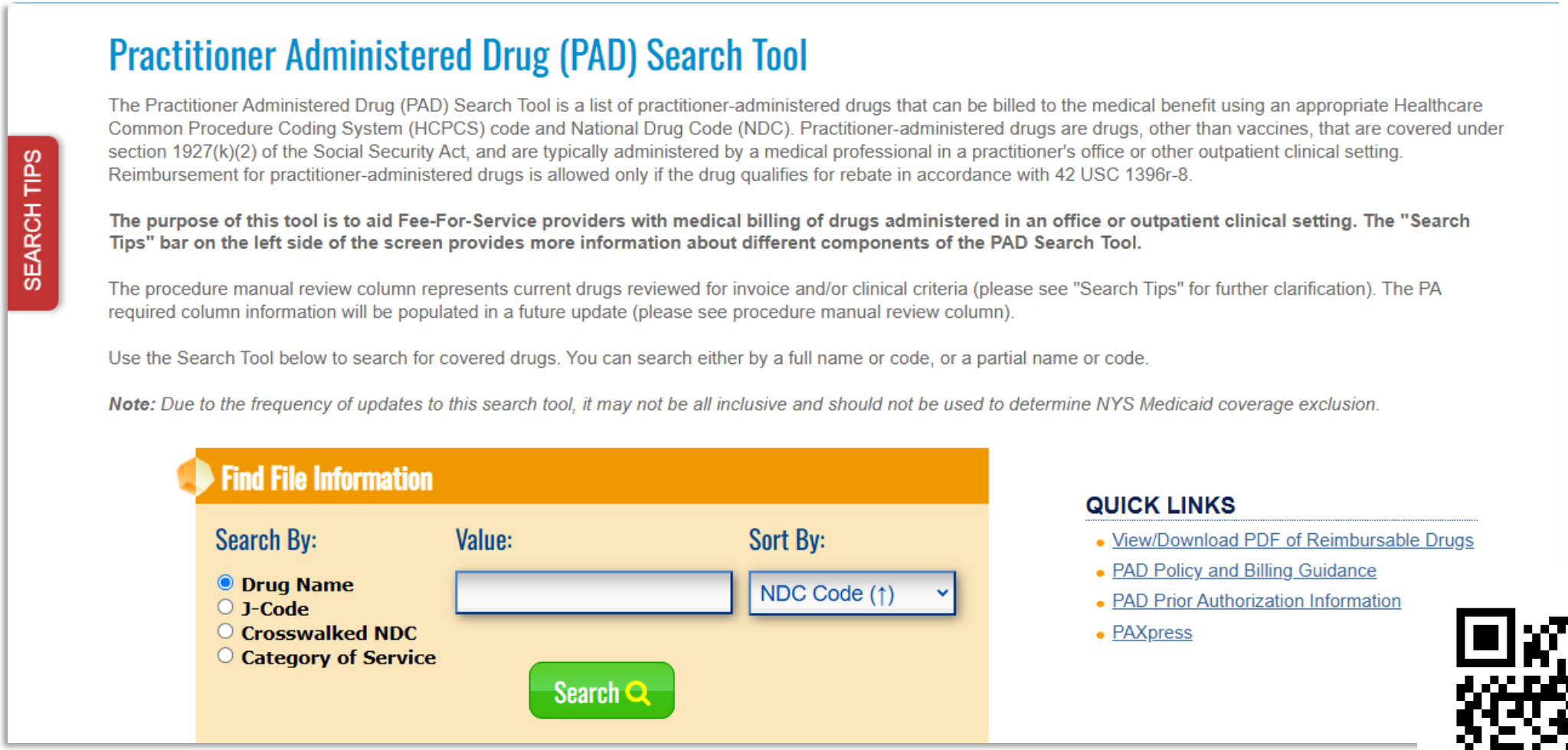
The reimbursement methodology applies only to drugs claimed separately by practitioners. PA for select PADs apply for the following categories of service (COS)* that are submitted via Professional ASC X12, 837 Health Care claim transactions:

- **Free Standing or Hospital Based Ordered Ambulatory** (COS 0163 for Clinic Based, COS 0282 for Hospital Based)
- **Physician** (COS 0460)
- **Nurse Practitioner** (COS 0469)
- **Midwife** (COS 0525)
- **Podiatry Services** (COS 0500)

**Find your COS based on your provider type by using the COS search tool.*

Drugs administered in an in-facility or inpatient setting will continue to be reimbursed at the posted facility rates. This includes, but not limited to, All Patient Refined-Diagnosis Related Groups (APR-DRG) and Ambulatory Patient Groups (APG).

Demo of PAD Search Tool



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www.emedny.org/info/pad/

Prior Authorization and Clinical Editing

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Prior Authorization for PADs

Current State

- Select PADs require pended review, also known as “By Report” (BR), by the Bureau of Medical Review (MR).
- Paper-based and time consuming.
  The claim is submitted by mail with the worksheet and invoice after the drug is administered to the patient.
- MR handles both payment and clinical review.
- Clinical review for medical drugs is not aligned with NYRx pharmacy processes.
- Claim pends for review with edit 00172: “Procedure Requires Manual Pricing.”

Future State: Medical & Pharmacy Parity

- Prior authorization (PA) for select PADs via existing pharmacy systems (PAXpress, CoverMyMeds, phone, or fax) will be accepted by NY Medicaid.
- Clinical criteria editing evaluates and leverages pharmacy and medical claims data to ensure claims meet PA criteria before payment.
- Faster PA processing and turnaround for practitioners.
- Reduce administrative burden, volume of pended claims, and potential errors.
- Claim will reject with edit 00186: “Procedure Requires PA.”
- Claim may still reject for other edits even after a PA is obtained. Refer to PAD Top Edit Resource.

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PADs Clinical Editing Implementation

Electronic clinical editing for certain practitioner administered drugs will begin on November 19, 2026.

Botulinum Toxin Agents

- onabotulinumtoxinA (Botox®)
- abobotulinumtoxinA (Dysport®)
- rimabotulinumtoxinB (Myobloc®)
- incobotulinumtoxinA (Xeomin®)
- DaxibotulinumtoxinA-lanm (Daxxify®)

Infliximab Agents

- infliximab (Remicade®)
- infliximab-abda (Renflexis®)
- infliximab-axxq (Avsola®)
- infliximab-dyyb (Inflectra®)
- infliximab-dyyb (Zymfentra®)

Major Depression

- esketamine nasal spray (Spravato®)

Spinal Muscular Atrophy

- nusinersen (Spinraza®)

Duchenne Muscular Dystrophy (DMD)

- casimersen (Amondys 45)
- eteplirsen (Exondys 51)
- viltolarsen (Viltepso)
- golodirsen (Vyondys 53)

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Additional PADs will be announced. Subscribe to the eMedNY listserv for the latest news.

How to Check if PA is Required

Before servicing a member, practitioners should check if PA is required by:

- Checking the clinical criteria table or NYRx Clinical Criteria and Coverage Guide; or by
- Submitting a real-time claim in ePACES -- if the claim rejects with edit 00186 "Procedure Requires PA," then the practitioner must obtain prior authorization.

The PAD Search Tool will also be updated to indicate if PA or manual review is required.



Note: For some cases, if the corresponding diagnosis, drug or procedure code already exists in the member's claim history, then an approved PA can be generated **without** the practitioner's involvement.

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Effective 11/19/26: NDC PA Quantity Required

NDC PA Quantity: The National Drug Code (NDC) PA quantity reflects the actual manufacturer-specific product amount (vial/each, milliliter, gram). **All PA requests must be submitted using the NDC quantity, including any waste from single-use containers.**

Additional Considerations

- **HCPCS & NDC:** The PAD Search Tool can help determine the correct HCPCS units and NDC quantity.

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How to Request PA for PADs

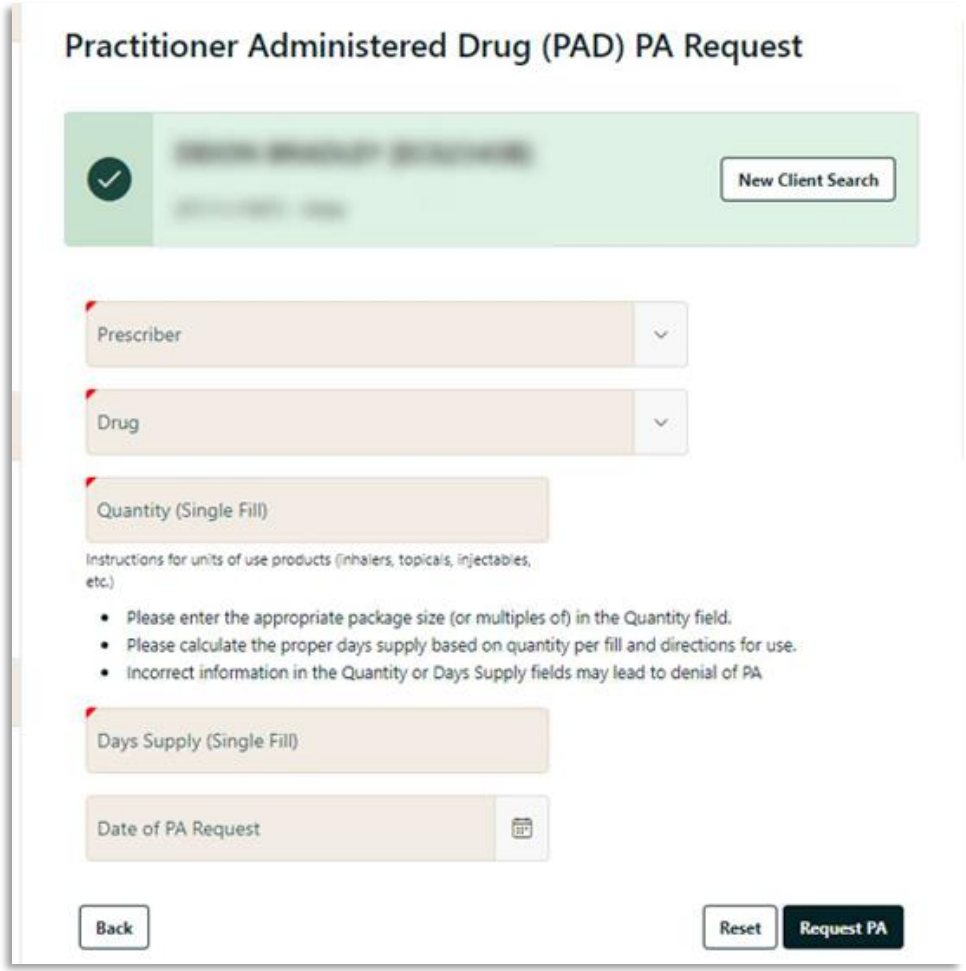
Beginning November 19, 2026, practitioners must obtain prior authorization for Phase 1 PADs **before** administering them to Medicaid FFS members and billing claims to eMedNY.

Options for Obtaining Prior Authorization for PADs	
Electronic (recommended)	• PAXpress (same username and password as ePACES) • CoverMyMeds
Fax	Fax the PA form to 1-800-268-2990.
Phone	Call Prime Therapeutics at 1-877-309-9493 (open 24 hours).

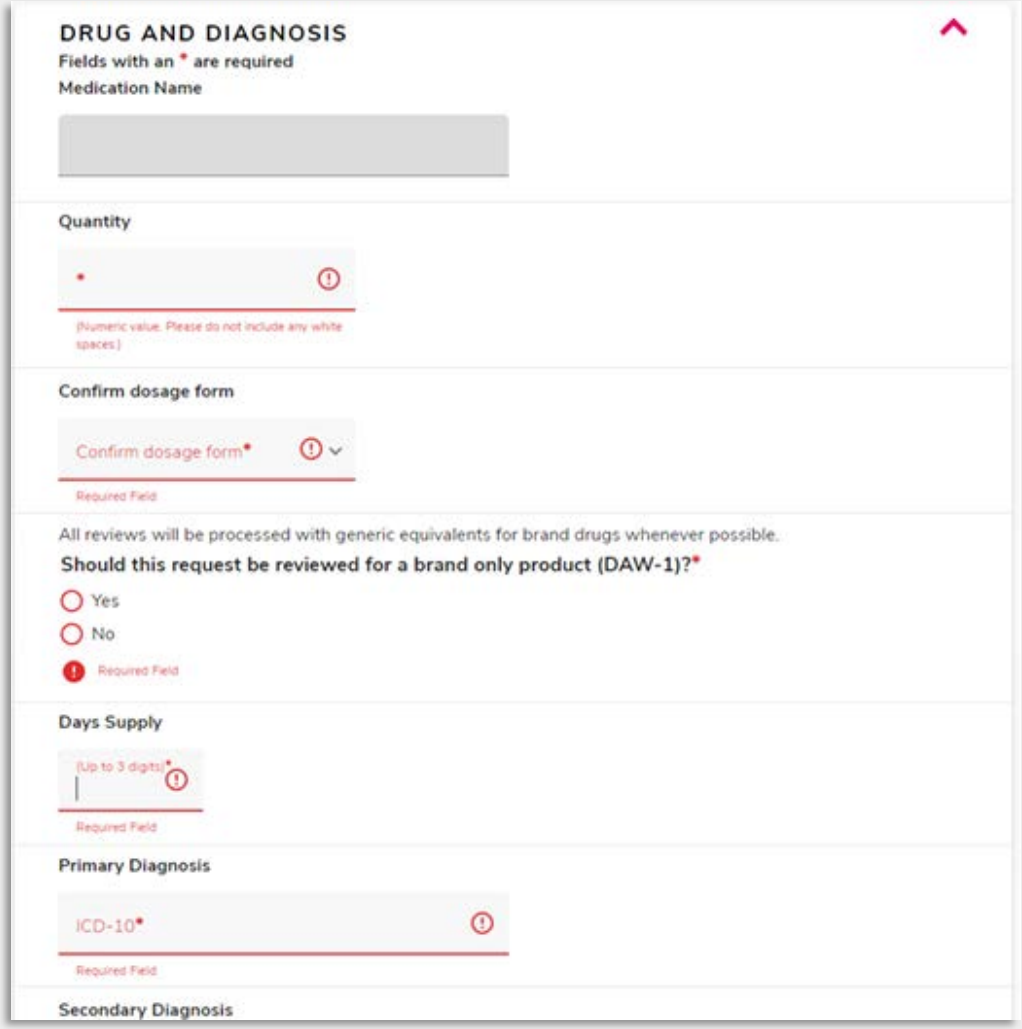
Need help? *For support with obtaining a PA, contact the NYRx Education & Outreach Team at 1-833-967-7310 or NYRxEO@primetherapeutics.com.*

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PAXpress and CoverMyMeds



More details are in the PAXpress manual.



Review the Quick Guide to CoverMyMeds Prior Authorization Requests.

Billing Guidance for PADs

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FFS Billing for PADs

Date of Service **Before** 11/19/2026

Practitioners should follow the existing pended review (by report) process by the Bureau of Medical Review, i.e., submit paper claim after administering the drug to the member.

Date of Service **On/After** 11/19/2026

Practitioners should follow the new process, i.e.:

1. Obtain PA before administering the drug to the member.
2. Submit claim electronically.

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Billing for PADs That Require PA

After receiving an approved PA and administering the drug to the member, a practitioner can submit an electronic (recommended) or paper claim which must include:

- Healthcare Common Procedure Coding System (HCPCS) code
- HCPCS billing unit
- National Drug Code (NDC)
- NDC quantity

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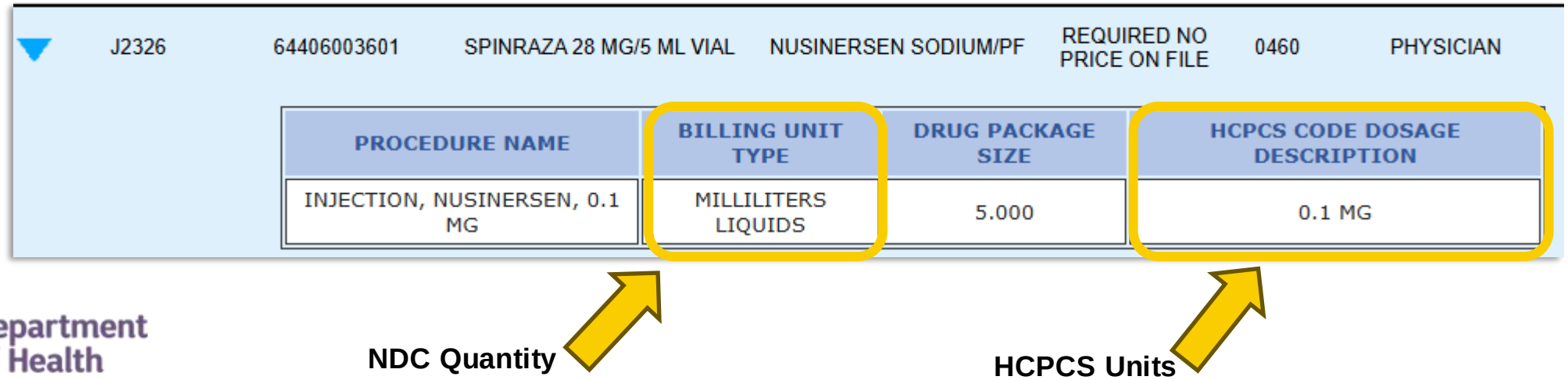
Calculating HCPCS Units and NDC Quantity

HCPCS Units

- Based on the total dosage administered divide by the descriptor in the J-code description
- This measure is specific to the HCPCS code for the drug.
- In the PAD Search Tool, this is defined by the HCPCS Code Dosage Description.

NDC Quantity

- Based on the unit of measure (UOM) for the specific drug (e.g., ML of liquid, UN for vials, GR for grams).
- This measure is specific to each NDC.
- In the PAD Search Tool, this is defined by the Billing Unit Type value.



▼	J2326	64406003601	SPINRAZA 28 MG/5 ML VIAL	NUSINERSEN SODIUM/PF	REQUIRED NO PRICE ON FILE	0460	PHYSICIAN

PROCEDURE NAME	BILLING UNIT TYPE	DRUG PACKAGE SIZE	HCPCS CODE DOSAGE DESCRIPTION
INJECTION, NUSINERSEN, 0.1 MG	MILLILITERS LIQUIDS	5.000	0.1 MG

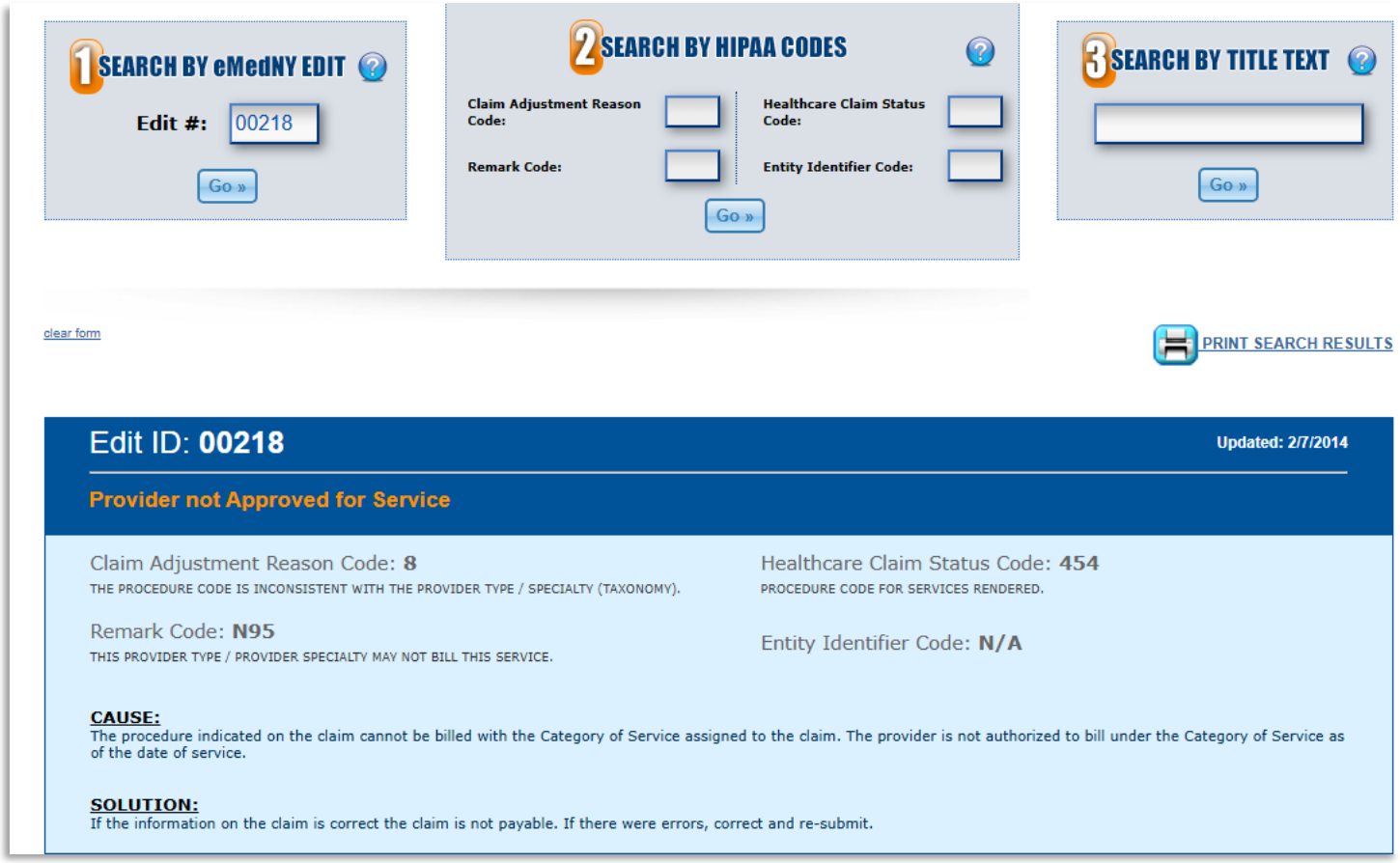
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Other Claim Edits

Besides edit 00186 “Procedure Requires PA,” there may be other claim edits that need to be resolved.

For more information about the claim edits and resolution, refer to these resources:

- PAD Top Edit Resource
- Timely Billing Information
- Edit/Error Knowledge Base (EEKB) Search Tool



Need help with claims and billing? Contact the eMedNY Call Center at 1-800-343-9000.

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PAD Claims That Still Require Manual Review

PADs that are **not** in phase 1 or listed as "By Report" on the *Physician Manual Fee Schedule* and *Ordered Ambulatory Fee Schedule* (such as cell and gene therapies) still follow the existing manual review process. Practitioners must submit Medical Assistance Health Insurance Claim Form New York State eMedNY-150003 with:

- Healthcare Common Procedure Coding System (HCPCS) code
- HCPCs billing unit
- National Drug Code (NDC)
- NDC quantity per claim
- A copy of the invoice dated within six months prior to the date of service and/or should include the expiration date of the drug
- Applicable clinical criteria worksheet (drug specific or Standard Clinical Criteria Worksheet) with clinical notes.

If a drug is not included in the PAD Search Tool but is indicated to treat a Medicaid covered diagnosis, then the practitioner may submit a letter of medical necessity and supporting documentation (recent chart notes) by fax to 518-473-5508.

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NYRx Education & Outreach

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NYRx Education & Outreach at Prime Therapeutics

A multidisciplinary team dedicated to NYRx, the Medicaid Pharmacy Program

Purpose

- Serve as a liaison between stakeholders and New York State Department of Health

Engagement

- Support prescribers and pharmacies, managed care plans, and NYS agencies with NYRx
- Focus on specialized complex care coordination

Resolution

- Support resolution and guidance
- Strategize communications and educational materials

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Support for Providers Caring for New York Medicaid Members

- NYRx Updates
- Care Coordination
- Provider & Pharmacy Education
- Opportunities to Connect

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Outreach to NY Medicaid Enrolled Prescribers

Our goal:

A seamless implementation, ensuring all providers have the information they need.

Proactive outreach

- General outreach at multiple touchpoints since August 2026.
- Targeted outreach to prescribers who recently requested PAs for PAD drugs.

Reactive outreach

- Additional education to help prescribers become familiar with the PA process post go-live, as needed.

Recent Communication

- Reminder: Upcoming Changes to the Medicaid Fee-for-Service Claim Submission Process for Practitioner-Administered Drugs

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Submitting a Prior Authorization to NYRx via Prime Therapeutics

Method	Contact	Description
Electronic	www.covermymeds.com	The CoverMyMeds electronic prior authorization (ePA) request submission channel allows pharmacy providers to initiate ePA requests on behalf of the member to the prescriber and prescribers to initiate and submit ePA requests, with approvals potentially given in real time.
Fax	Prime Therapeutics NYRx Clinical Call Center 1-800-268-2990	Prescribers or their authorized agent can submit a PA request via fax by utilizing the NYRx, the Medicaid Pharmacy Program Prescription Prior Authorization Request Form. A determination for a fax request is within 24 hours.
Phone	Prime Therapeutics NYRx Clinical Call Center 1-877-309-9493	Prescribers or their authorized agent may also submit a PA request via phone. The NYRx Clinical Call Center is operational 24 hours a day, 7 days per week.

An authorized agent is an employee of the prescribing practitioner who has access to the member's medical records. For example, a nurse, medical assistant, etc. Prior authorization submitted by third parties, outside of the parameters listed here, will not be accepted.

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Contact NYRx Education & Outreach

Phone

1-833-967-7310

Monday-Friday
8 AM – 5 PM ET
Excluding Holidays

Email

NYRxEO@primetherapeutics.com

Website

NYRx, the Medicaid Pharmacy Program Education & Outreach

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Resources

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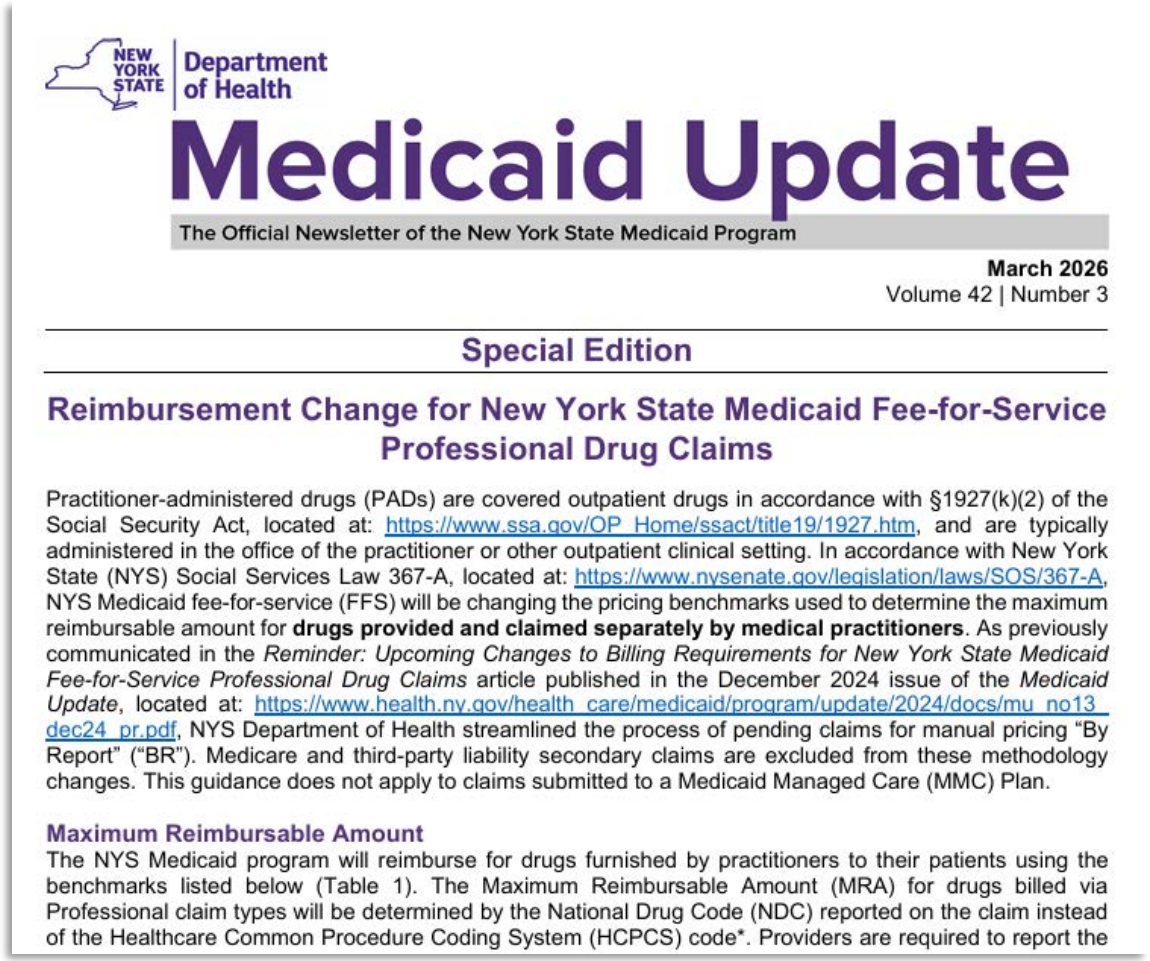
Spotlight FAQ #14

What happens if a provider bills a claim without an approved prior authorization?

If a PAD has clinical criteria requiring prior authorization (PA), then a provider must obtain an approved PA **before** administering the drug to the member and billing the claim to Medicaid. If a claim is submitted without an approved PA, then Medicaid may deny the claim.

For some cases, if a provider administered the drug to the member without obtaining PA beforehand, the provider may call the NYRx Clinical Call Center at (877) 309-9493 to request a PA and then resubmit the claim. Beginning November 19, 2026, NYRx, the Medicaid Drug Program is allowing an initial 90-day grace period, so providers can assimilate to the new process for obtaining PA requests.

Special Editions of the Medicaid Update



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Medicaid Update

The Official Newsletter of the New York State Medicaid Program

March 2026
Volume 42 | Number 3

Special Edition

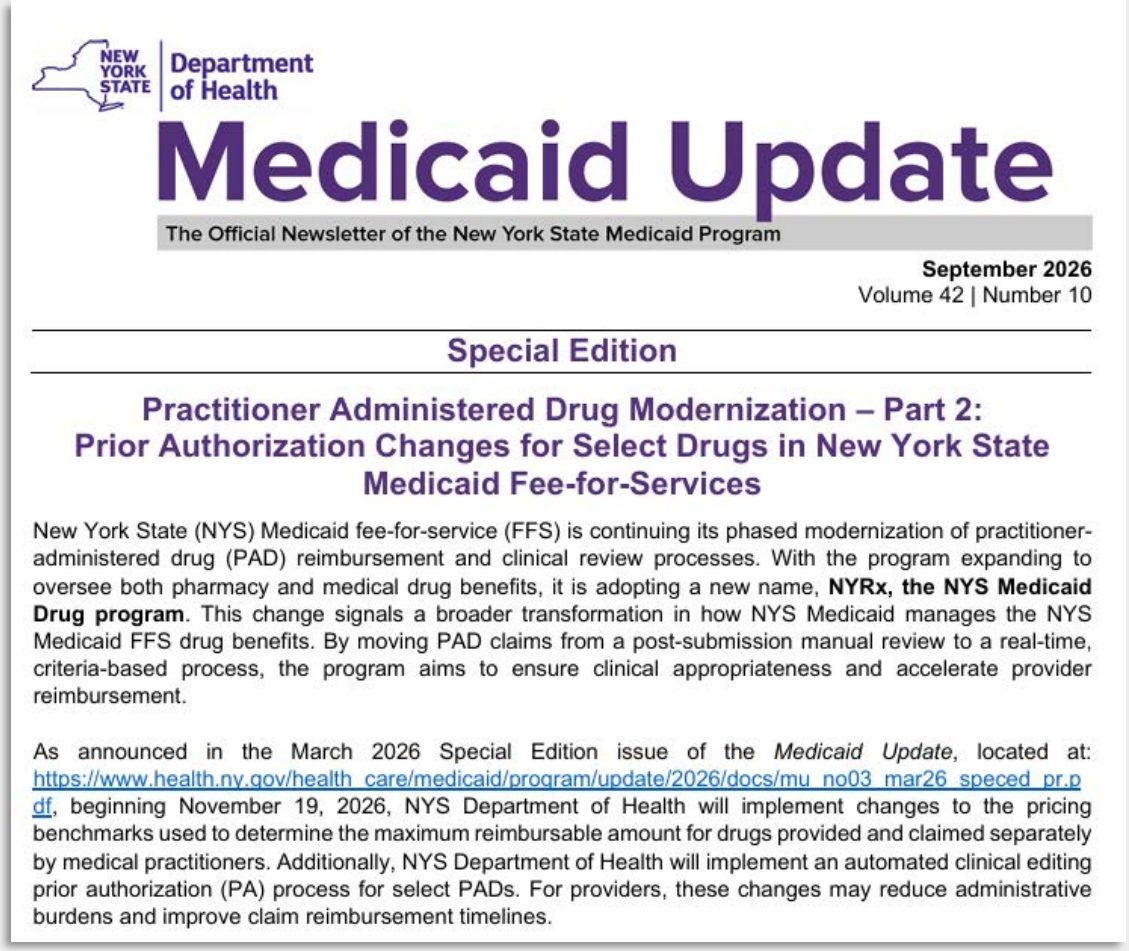
Reimbursement Change for New York State Medicaid Fee-for-Service Professional Drug Claims

Practitioner-administered drugs (PADs) are covered outpatient drugs in accordance with §1927(k)(2) of the Social Security Act, located at: https://www.ssa.gov/OP_Home/ssact/title19/1927.htm, and are typically administered in the office of the practitioner or other outpatient clinical setting. In accordance with New York State (NYS) Social Services Law 367-A, located at: https://www.nysenate.gov/legislation/laws/SOS/367-A, NYS Medicaid fee-for-service (FFS) will be changing the pricing benchmarks used to determine the maximum reimbursable amount for **drugs provided and claimed separately by medical practitioners**. As previously communicated in the *Reminder: Upcoming Changes to Billing Requirements for New York State Medicaid Fee-for-Service Professional Drug Claims* article published in the December 2024 issue of the *Medicaid Update*, located at: https://www.health.ny.gov/health_care/medicaid/program/update/2024/docs/mu_no13_dec24_pr.pdf, NYS Department of Health streamlined the process of pending claims for manual pricing "By Report" ("BR"). Medicare and third-party liability secondary claims are excluded from these methodology changes. This guidance does not apply to claims submitted to a Medicaid Managed Care (MMC) Plan.

Maximum Reimbursable Amount

The NYS Medicaid program will reimburse for drugs furnished by practitioners to their patients using the benchmarks listed below (Table 1). The Maximum Reimbursable Amount (MRA) for drugs billed via Professional claim types will be determined by the National Drug Code (NDC) reported on the claim instead of the Healthcare Common Procedure Coding System (HCPCS) code*. Providers are required to report the

[March 2026 Special Edition Part 1]



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Medicaid Update

The Official Newsletter of the New York State Medicaid Program

September 2026
Volume 42 | Number 10

Special Edition

Practitioner Administered Drug Modernization – Part 2: Prior Authorization Changes for Select Drugs in New York State Medicaid Fee-for-Services

New York State (NYS) Medicaid fee-for-service (FFS) is continuing its phased modernization of practitioner-administered drug (PAD) reimbursement and clinical review processes. With the program expanding to oversee both pharmacy and medical drug benefits, it is adopting a new name, **NYRx, the NYS Medicaid Drug program**. This change signals a broader transformation in how NYS Medicaid manages the NYS Medicaid FFS drug benefits. By moving PAD claims from a post-submission manual review to a real-time, criteria-based process, the program aims to ensure clinical appropriateness and accelerate provider reimbursement.

As announced in the March 2026 Special Edition issue of the *Medicaid Update*, located at: https://www.health.ny.gov/health_care/medicaid/program/update/2026/docs/mu_no03_mar26_speced_pr.pdf, beginning November 19, 2026, NYS Department of Health will implement changes to the pricing benchmarks used to determine the maximum reimbursable amount for drugs provided and claimed separately by medical practitioners. Additionally, NYS Department of Health will implement an automated clinical editing prior authorization (PA) process for select PADs. For providers, these changes may reduce administrative burdens and improve claim reimbursement timelines.

[September 2026 Special Edition Part 2]

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Resources

Policy and Guidance

- NYRx FFS PAD Policy and Billing Guidance
- Medicaid Update
  - Special Edition Part 1 (March 2026)
  - Special Edition Part 2 – (Sep. 2026)
- Practitioner Administered Drug Program
- NYRx Clinical Criteria and Coverage Guide
- Provider Manuals
- FAQs and other resources – **Coming soon!**

Tools and Other Resources

- PAD Search Tool
- Medicaid Pharmacy List of Reimbursable Drugs
- Edit/Error Knowledge Based (EEKB) Search Tool
- PAD Top Edit Resource for Professional Claims
- Drug Manufacturer Contacts

Need help obtaining PA?

For support with obtaining a PA, contact the NYRx Education & Outreach Team at 1-833-967-7310 or NYRxEO@primetherapeutics.com.

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Stay Informed About FFS PAD Updates

NY Medicaid will send communications about additional PADs and clinical editing.



Subscribe to the eMedNY listserv and NYRx Education & Outreach Notification Service.



Check the clinical criteria table or NYRx Clinical Criteria and Coverage Guide for which drugs and classes may require PA.



Attend our next PADs implementation meeting (date to be determined).

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