

SPBP1/ADAP

PROVIDER BULLETIN

May 20, 2025

340B claim submission

Pharmacy providers enrolled as 340B providers are reminded that, in accordance with the Special Pharmaceutical Benefits Program (SPBP1/ADAP) provider agreement and Health Resources and Services Administration (HRSA) rules, claims submitted using **pharmaceuticals purchased through the 340B Drug Discount Program must include the proper 340B modifiers as listed below.**

Federal law prohibits duplicate 340B discounts on pharmaceuticals purchased through Section 340B of the Public Health Service Act.

Pennsylvania is a state that requires the use of modifiers on its 340B claims. In order to prevent duplicate discounts on 340B claims, the following fields are to be used to identify claims submitted using 340B pricing:

- Submission Clarification Code Field (420-DK): enter 20 indicating a 340B drug
- Ingredient Cost (Field 409-D9) is to contain the Actual Acquisition Cost (AAC)
- Basis of Cost Determination (Field 423-DN): enter 08 for 340B/Disproportionate Share Pricing/Public Health Service.

Claims where 340B eligibility is not determined until after initial claim submission must be resubmitted with the proper 340B modifiers. The original non-340B claim should be reversed and the claim resubmitted with the Basis of Cost Determination (Field 423-DN): 08 and Submission Clarification Code Field (420-DK): enter 20.

NOTE: 340B claims found to be dispensed to 340B eligible cardholders, but not submitted with the 340B claim identifiers described above will be disallowed on audit.

Questions may be directed to Provider Services at 1-800-835-4080