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MEDICAID INFORMATION RELEASE MA26-10

To: Medicaid Providers

From: Sasha O'Connell, Deputy Director

Subject: Provider-Administered Drugs

This information release is intended to remind providers of current policy regarding provider-administered drugs. It also provides guidance on new procedures supporting implementation.

A provider-administered drug (PAD) is an outpatient drug other than a vaccine that is administered by a health care professional or any agent of a provider's office including home health and hospice. PADs can be administered in a variety of settings including, but not limited to, clinics, the community, homes, hospitals, infusion suites and offices. Except when specified, PADs are required to be billed through the medical benefit and have been for many years. This is to ensure appropriate oversight and prevention of double billing. Claims for PADs billed to the pharmacy benefit without an exception will be denied or subject to recoupment.

Federal law requires professional claims for drugs with HCPCS include the appropriate national drug code (NDC) of the drug supplied, units dispensed, and basis of measurement for each HCPCS drug. This requirement applies to drugs with HCPCS codes, whether submitted electronically, on a paper CMS-1500 claim form, or as a Medicare cross-over claim. The HCPCS drugs that require NDC information are listed in the current HCPCS Manual*, Appendix 1,* and are listed alphabetically by generic, brand, or trade name with corresponding HCPCS codes. Claims with incomplete NDC information will be denied.

Except as otherwise specified, "brown bagging" and "white bagging" aren't allowed. Brown bagging is defined as the medication being dispended through a pharmacy directly to the patient, who takes it to a health care professional for administration. White bagging is defined as the medication being dispensed through a pharmacy to a health care professional or their office for administration.

Exceptions to Billing the Medical Benefit

Drug classes that are exempt include long-acting injectable antipsychotics, hormonal contraceptives, medications for opioid use disorder, and medications for the treatment or prevention of HIV.

New Prior Authorization Process

Certain PADs always require prior authorization (PA) as noted on the Numerical Fee Schedule. Effective May 4, 2026, PA requests for PADs will be reviewed by Idaho Medicaid's quality improvement organization Telligen to increase operational efficiency and centralize oversight. This also includes requests for when a PA would otherwise be indicated (e.g. criteria not met). See the QIO Provider Manual for more information on PAs.

Telligen Provider Portal Registration

To obtain authorizations, providers must have an account on the Telligen Qualitrac portal. To register, visit the Telligen Medicaid Services website (http://idmedicaid.telligen.com) and click on the orange Register button to get started. For questions about authorizations or the Qualitrac portal, contact Telligen by phone at 866-538-9510 or email at idmedicaidsupport@telligen.com.

The status of a PA request submitted to Telligen may be checked online via the Qualitrac portal or the Gainwell Technologies portal under "Authorization Status", using your National Provider Identifier. If you have questions on a denial in the Gainwell Technologies portal, click on the notes to view the reason for the denial. See the General Billing Instructions in the Idaho Medicaid Provider Handbook for more information on billing and requesting prior authorized services.

Thank you for your continued support of the Medicaid program.

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The content of this guidance document is not new law but is an interpretation of existing law prepared by the Idaho Department of Health and Welfare to supply clarity to the public about existing requirements under the law. This document does not bind the public, except as authorized by law or as incorporated into a contract. For additional information or to provide input on this document, contact the Division of Medicaid by emailing MCPT@dhw.idaho.gov or by calling 888-528-5861.