Billing Guidance: 340B Modifiers
UPDATE: This communication is being released to provide Medicaid and N.C. Health Choice (NCHC) billing guidance to providers when billing the 340B modifiers for drugs administered to dual-eligible beneficiaries.

Important Instruction: The N.C. Division of Medical Assistance (DMA) recognizes that, beginning January 1, 2018, CMS will require providers to report the “JG” and “TB” modifiers on OPPS claims (bill type 13X). Medicaid and NCHC are NOT accepting these two new modifiers on 340B claims.

Medicaid crossover or secondary claims: When billing Medicaid after Medicare has paid, the “JG” and “TB” modifiers must be replaced with the “UD” modifier when billing Medicaid 340B drugs, otherwise the claim will deny. **DO NOT** bill Medicaid with the “JG” or “TB” modifiers on the claim.

Medicaid is primary payer: Use only the “UD” modifier for each 340B drug when Medicaid is the primary payer of the claim. This is not a change from our current billing requirements.

DMA is working with the NCTracks system to make modifications to accommodate the use of these new modifiers. Once the modifications have been completed and tested, DMA will issue new billing instructions via a Medicaid bulletin.

Additional information can be found in the [June 2016 NC Medicaid Bulletin](#) article regarding 340B Billing requirements.

**Pharmacy Services**
DMA, 919-855-4300

Sandra Terrell, MS, RN  
Director of Clinical  
Division of Medical Assistance  
Health and Human Services

Paul Guthery  
Executive Account Director  
CSRA Department of