



Reimbursement Policy: Medicaid – NYRx Pharmacy Program

POLICY NUMBER	EFFECTIVE DATE:	APPROVED BY
RP20260029	4/01/2023	RPC (Reimbursement Policy Committee)

Reimbursement Guideline Disclaimer: We have policies in place that reflect billing or claims payment processes unique to our health plans. Current billing and claims payment policies apply to all our products, unless otherwise noted. EmblemHealth will inform you of new policies or changes in policies through postings to the applicable Reimbursement Policies webpage on emblemhealth.com. Further, we may announce additions and changes in our provider manual and/or provider newsletters which are available online and emailed to those with a current and accurate email address on file. The information presented in this policy is accurate and current as of the date of this publication.

The information provided in EmblemHealth’s policies is intended to serve only as a general reference resource for services described and is not intended to address every aspect of a reimbursement situation. Other factors affecting reimbursement may supplement, modify or, in some cases, supersede this policy. These factors may include, but are not limited to, legislative mandates, physician or other provider contracts, the member’s benefit coverage documents and/or other reimbursement, and medical or drug policies. Finally, this policy may not be implemented the same way on the different electronic claims processing systems in use due to programming or other constraints; however, EmblemHealth strives to minimize these variations.

EmblemHealth follows coding edits that are based on industry sources, including, but not limited to, CPT® guidelines from the American Medical Association, specialty organizations, and CMS including NCCI and MUE. In coding scenarios where there appears to be conflicts between sources, we will apply the edits we determine are appropriate. EmblemHealth uses industry-standard claims editing software products when making decisions about appropriate claim editing practices. Upon request, we will provide an explanation of how we handle specific coding issues. If appropriate coding/billing guidelines or current reimbursement policies are not followed, EmblemHealth may deny the claim and/or recoup claim payment.

Overview:

On **April 1, 2023** NYS Medicaid members enrolled in mainstream Medicaid Managed Care (MMC) Plans, Health and Recovery Plans (HARPs), and HIV-Special Needs Plans (SNPs) will receive their pharmacy benefits through the NYRx Pharmacy program instead of through their MMC Plan.

The pharmacy benefit transition to NYRx does not apply to NYS Medicaid members enrolled in Managed Long-Term Care (MLTC) Plans [e.g., MLTC, Programs of All-Inclusive Care for the Elderly (PACE), Medicaid Advantage Plus (MAP), the Essential Plan, or Child Health Plus (CHP)].

The transition did not change the Managed Care Plan’s (MCP) responsibility for coverage of certain drugs billed on medical claims

For more information, please visit the [NY Medicaid Pharmacy Program \(NYRx\) Information for Providers](#) web page.

Policy Statement:

Effective April 1, 2023, EmblemHealth’s Enhanced Care (Medicaid) and Enhanced Care Plus (HARP) members had their pharmacy benefits transitioned from EmblemHealth to NYRx, the New York State (NYS) Medicaid Pharmacy program.

Claims received by EmblemHealth that **are included** in the New York State (NYS) Medicaid Pharmacy program **will be denied** and providers will need to resubmit claim(s) to NYRx Program for consideration.

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Please note that any payments issued by EmblemHealth that are not in accordance with the requirements noted in this policy may be subject to recoupment.

Physician Administered Drugs (PADs)

EmblemHealth will continue to cover physician administered drugs (PADs) when administered by a physician or other practitioner in an appropriately licensed outpatient setting (e.g., outpatient hospital, clinic, physician's office) and billed on the professional claim form (1500 or 837P).

Specialty or Home Infusion Pharmacy:

EmblemHealth will consider reimbursement of physician administered drugs (PADs) billed by a specialty or home infusion pharmacy as a medical claim:

- PADs which are not present on the NYRx Medicaid Pharmacy List of Reimbursable Drugs and the PADs are given as part of another CPT/HCPCS procedure coded service, such as the injection/administration procedure, and both are submitted on the same claim.

EmblemHealth will not reimburse Physician administered drugs (PADs) billed by a specialty or home infusion pharmacy as a medical claim if the PADs are present on the NYRx Medicaid Pharmacy List of Reimbursable Drugs;

- EmblemHealth will consider reimbursement for the injection/administration procedure claim line(s) only; and
- The claim line(s) for the **drug(s) will be denied**; providers will need to resubmit claim(s) to NYRx Program for consideration.

Physician Administered Drugs Obtained from Specialty Pharmacy:

Certain practitioner-administered drugs are listed on the Medicaid Pharmacy List of Reimbursable Drugs and may be billed directly to NYRx by a pharmacy. The NY Medicaid policy regarding practitioner-administered drug billing is addressed in the Physician's Manual found here: <https://www.emedny.org/ProviderManuals/Physician/index.aspx>.

Practitioner-administered drugs dispensed as a pharmacy benefit must be delivered by the pharmacy directly to the site of administration (e.g. physician's office, hospital, or clinic) for patient administration. This is referred to as "white bagging".

Practitioners in a private practice setting that administer drugs covered through the pharmacy benefit, and/or obtained at no-cost, may only seek reimbursement for the administration of the no-cost drug when the service is performed as part of an office visit.

PADs which are obtained via the NYRx Program and submitted to EmblemHealth for reimbursement as a medical claim will be denied.

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Physician Administered Drugs Dispensed Directly to a Patient:

PADs dispensed directly to a patient by the pharmacy to bring to their practitioner's office for administration are not acceptable under the NYS Medicaid program.

For additional information on obtaining PADs through a specialty pharmacy and proper billing procedure, please see [Policy Guidelines](#) on NY Medicaid Pharmacy Manual webpage [Provider Manuals - Pharmacy Manual](#)

Medical Pharmacy Preauthorization List

For EmblemHealth Pharmacy services covered by members' medical benefits that require preauthorization, please see:

Prime Therapeutic's GatewayPA site.

Resources:

1. Covered outpatient prescription and over-the-counter (OTC) drugs that are listed on the [eMedNY "Medicaid Pharmacy List of Reimbursable Drugs"](#)
2. Pharmacist administered vaccines and supplies listed in the [New York State Medicaid Program - Pharmacy Procedures and Supply Codes document](#), such as enteral and parenteral nutrition, family planning, and medical/surgical supplies.
3. Physician administered drugs (commonly referred to as J-code drugs) *not listed* on the [eMedNY "Medicaid Pharmacy List of Reimbursable Drugs"](#)
4. Durable medical equipment, prosthetics, orthotics, and supplies (DMEPOS) listed in sections 4.4, 4.5, 4.6, and 4.7 of the [New York State Medicaid Program - Durable Medical Equipment, Prosthetics, Orthotics and Supplies - Procedure Codes and Coverage Guidelines](#), are not subject to the Transition. All mentioned items will remain the responsibility of the MMC Plans.
5. NY State Medicaid Managed Care Plan Information https://www.health.ny.gov/health_care/medicaid/redesign/mrt2/pharmacy_transition/mcp/index.htm
6. Transition of the Pharmacy Benefit from Managed Care (MC) to Medicaid NYRx Pharmacy Program, Frequently Asked Questions (FAQs) https://health.ny.gov/health_care/medicaid/redesign/mrt2/pharmacy_transition/pharmacy_transition_faq.htm

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7. NY State Medicaid Managed Care Plan Information; NYRx Scope of Benefits
https://www.health.ny.gov/health_care/medicaid/redesign/mrt2/pharmacy_transition/repository/docs/rx_scope_of_benefits.pdf
8. NYRx Medicaid Pharmacy Program: Post-Transition Roles & Responsibilities
https://www.health.ny.gov/health_care/medicaid/redesign/mrt2/pharmacy_transition/docs/rx_carve_out_roles.pdf
9. eMedNY, Pharmacy Manual <https://www.emedny.org/ProviderManuals/Pharmacy/>
10. NYS DOH [Transition and Communications Activities Timeline document](#); "Resources & Materials" tab of the NYS DOH "Repository"
https://health.ny.gov/health_care/medicaid/redesign/mrt2/pharmacy_transition/repository/index.htm

Revision history

DATE	REVISION
5/2026	<ul style="list-style-type: none">• New Policy