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## **-TB Drug or Biological Acquired With 340B Drug Pricing Program Discount, Reported for Informational Purposes Modifier**

Last Reviewed: 3/4/2025

UCare follows the Centers for Medicare and Medicaid Services (CMS) billing requirements and reimbursement guidelines for certain drugs purchased under the 340B Drug Pricing Program.

Drugs and biologicals acquired through the 340B Program that are furnished by providers paid under the Medicare Outpatient PPS (OPPS), UCare requires providers to submit the appropriate modifier:

- TB: Drug or biological acquired with 340B drug pricing program discount, reported for informational purposes for select entities

As of January 1, 2025, CMS requires all 340B covered entities, including hospital-based and nonhospital based entities, that submit claims for separately payable Part B drugs and biologicals, to exclusively report modifier “TB” on claim lines for drugs acquired through the 340B Drug Discount Program.

- Prior to January 1, 2025:
  - CMS permitted 340B covered entities to report modifier “JG” or “TB” on claim lines for drugs acquired through the 340B Drug Discount Program.
  - Modifier JG was removed from eligible 340B modifiers 12/31/2024.

### **Product Information**

The information outlined below applies to all UCare Medicare, MSHO, Special Needs Basic Care Integrated, and Individual and Family Plans.

### **Payment Information**

- 340B claims are submitted with the following criteria:
  - Bill Type of 13x;
  - The -TB modifier is appended to a HCPCS code;
  - The submitted HCPCS is identified as eligible for 340B purchase; and
  - The provider’s payment is based on hospital outpatient methodology.
- Effective for claims paid on or after September 28, 2022:
  - UCare, in accordance with CMS published guidance to payment changes surrounding the ruling from the US District Court for District of Columbia, has implemented payment updates to revert to allowing the full rate (generally ASP plus 6%) for 340B purchased drugs.
  - UCare follows Medicare and will continue to require 340B hospitals to report the JG or TB modifiers on claim forms.

- Effective for claims paid prior to September 28, 2022:
  - UCare follows Medicare and pays an adjusted amount of the average sales price (ASP) minus 22.5%, equating to a discount of 26.9% of the fee schedule rate, for certain separately payable drugs or biologicals acquired through the 340B Program and furnished to a Medicare beneficiary by a hospital paid under the OPPS that is not excepted from the payment adjustment policy.

### **Appropriate Use**

- Please reference Medicare Claims Processing Manual, Chapter 4 - Part B Hospital, Section 20.6.17 Use of HCPCS modifier –TB

### **Additional Links**

[Inflation Rebates in Medicare | CMS](#)

[Revised Part B Inflation Rebate Guidance: Use of the 340B Modifier](#)

[Hospital Outpatient Prospective Payment System Update on Payment Rates for Drugs Acquired through the 340B Program - INFORMATIONAL for MAOs \(cms.gov\)](#)

[HRSA 340B Drug Program](#)

[Medicare Claims Processing Manual, Chapter 4 - Part B Hospital, Section 20.6.17 Use of HCPCS modifier –TB](#)

[UCare Provider Bulletin 2022\\_dec7\\_340b\\_change.pdf \(ucare.org\)](#)

[340B Drug Pricing Program Omnibus Guidance, 80 FR 52300 \(August 28, 2015\)](#)

[340B Drug Pricing Program, Title 42, Volume 1, Part 10](#) 

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