



**Louisiana Department of Health
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Physician Administered Drugs (Rebate)

The MCO manual update that was published on April 23, 2025 limits physician-administered drugs to only those eligible for rebates pursuant to CMS clarification found in 89 FR 79020. This requirement should apply only to drug claims with direct reimbursement. LDH will reflect this change in the next update to the MCO manual as soon as possible.

Physician-administered drugs provided in an outpatient hospital setting for which claim payment is calculated using a hospital specific cost to charge ratio are exempt from this requirement.

Physician Administered ~~Medication~~ Drugs

The MCO shall only cover medically necessary rebate eligible physician-administered ~~medications~~ drugs **for claims with direct reimbursement**. ~~that are reimbursable in Louisiana Medicaid. For those medications that are on the~~ The MCOs shall cover all drugs on the Louisiana Medicaid fee-for-service (FFS) fee schedules, ~~the MCO shall also cover them in the~~ as a medical benefit. The MCO may also elect to cover these ~~medications~~ drugs in the pharmacy benefit. For those ~~medications~~ rebate eligible drugs that are not on the Louisiana Medicaid FFS fee schedules, the MCO may cover them in either the medical benefit, the pharmacy benefit, or both.