GOVERNMENT OF THE DISTRICT OF COLUMBIA
Department of Health Care Finance

Office of the Senior Deputy Director and Medicaid Director **Transmittal 25-12**

TO: DC Medicaid Providers

FROM: Melisa Byrd M.B.
Senior Deputy Director and Medicaid Director

DATE: **April 29, 2025**

SUBJECT: **Inpatient Reimbursement for Physician Administered Cell and Gene Therapy**

Purpose
The purpose of this transmittal is to provide billing guidance to DC Medicaid providers regarding the reimbursement process for inpatient cell and gene therapies. The Department of Health Care Finance (DHCF) Fee-for-Service (FFS) Medicaid program will cover inpatient cell and gene therapy medications for Medicaid beneficiaries. DHCF has established specific protocols when submitting claims for these high-cost innovative cell and gene therapies. Inpatient cell and gene therapy medications are not a covered service under the DC Health Care Alliance program.

Details
Lyfgenia (lovotibeglogene autotemcel) and Casgevy (exagamglogene autotemcel) are FDA-approved cell and gene therapy medications indicated for the treatment of sickle cell disease for patients aged 12 years and older. These medications must be administered exclusively at inpatient facilities that are qualified treatment centers.

DHCF's Medicaid FFS program will provide coverage for the medications listed below:

Therapy	Generic Name	Indication
1. Lyfgenia	Lovotibeglogene autotemcel	The treatment of patients 12 years of age or older with sickle cell disease and a history of vaso-occlusive events.
2. Casgevy	Exagamglogene autotemcel	The treatment of patients aged 12 years and older with: • sickle cell disease (SCD) with recurrent vaso-occlusive crises (VOCs)

		• transfusion-dependent ß-thalassemia (TDT)

Note: This list is subject to change as new therapies are approved by the FDA.

Billing and Reimbursement
This policy outlines the billing and reimbursement process for cell and gene therapies (CGT) used to treat sickle cell disease under DC Medicaid.

The Department of Health Care Finance Fee for Service Medicaid Program shall be responsible for the reimbursement of approved inpatient CGT medications provided to eligible beneficiaries enrolled in DC Medicaid. The medication component of cell and gene therapies will be carved out of the Diagnosis Related Treatment Group (DRG) bundled payment methodology and reimbursed separately under the fee-for service (FFS) Medicaid program. Providers must submit a separate claim for the cost of the inpatient cell and gene therapy medications to FFS Medicaid to receive payment using a CMS 1500, the appropriate Healthcare Common Procedure Coding System (HCPCS) code and the National Drug Code (NDC) number, in accordance with coding guidelines and the services provided.

The FDA-approved drugs have specific assigned HCPCS codes: Casgevy (J3392) and Lyfgenia (J9934). (If procedure codes (CPT or HCPCS) are unavailable, use of unclassified HCPCS codes for newly approved cell and gene therapies is allowable until a specific code has been assigned to the product. Please ensure the correct NDCs are used when submitting claims. The NDC listed on the claim must correspond to the NDC on the administered therapy label.

Please note: Medicaid Managed Care Plans (MCPs) will remain responsible for all other healthcare costs associated with cell and gene therapies, such as administration, inpatient stays, or other supportive care. Providers must submit claims for these healthcare services directly to the beneficiaries' MCP for reimbursement. FFS Medicaid shall only be responsible for reimbursement to the billing provider for the cell and gene therapy medication.

Prior Authorization
Providers must obtain prior authorization before administering inpatient CGT services. Claims for CGT medications must be submitted to the Department of Health Care Finance (DHCF) or its designated agent for reimbursement.

DHCF has established clinical criteria for the cell and gene therapy (CGT) class, and all therapies currently require prior authorization (PA). Please see the link to DHCF's clinical criteria here: https://www.dc-pbm.com/provider/landing

Providers must submit the following documentation:

- Diagnosis confirmation
- Patient history of prior treatment failures
- Justification for the therapy
- Other relevant and necessary clinical documentation

Provider Reimbursement
- Submit claim to the DC Medicaid FFS fiscal agent.

- Include clinical documentation

Policy Effective Date
This policy is effective beginning October 1, 2024.

Contact
If you have questions regarding the coverage of cell and gene therapy medications, please contact:

- Tayiana Reed, PharmD, RPh, Pharmacist, CPAPS, OCMD, DHCF at Tayiana.reed1@dc.gov or (202) 478-1415;
- Charlene Fairfax, RPh, Senior Pharmacist, Division of Clinicians, Pharmacy, and Acute Provider Services (CPAPS), Office of the Chief Medical Officer (OCMO), Department of Health Care Finance (DHCF) at Charlene.fairfax@dc.gov or (202) 442-9076;
- Gidey Amare, PharmD, RPh, Pharmacist, CPAPS, OCMD, DHCF at gidey.amare@dc.gov or (202) 442-5952.

If you have questions regarding the managed care plans' coverage of procedures related to cell and gene therapy, please contact:

- AmeriHealth Caritas DC Provider Services: 202-408-2237 or 1-888-656-2383;
- Amerigroup DC Provider Services: 1-800-454-3730;
- Health Services for Children with Special Needs (HSCSN) Provider Services: 202-467-2737;
- MedStar Family Choice DC Provider Services: 1-855-798-4244.

Thank you for your cooperation. We appreciate the professional care and service that you provide to all District of Columbia FFS Medicaid beneficiaries.

Cc: DC Behavioral Health Association
DC Coalition of Disability Service Providers
DC Dental Society
DC Health Care Association
DC Home Health Association
DC Hospital Association
DC Primary Care Association
Medical Society of the District of Columbia