
Supplies and Drugs for Outpatient Services

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This section includes information to assist providers in billing supplies, materials and drugs for clinics and hospital outpatient departments. For additional information, refer to the *Supplies and Drugs* and *Supplies and Drugs Billing Examples: UB-04* sections in this manual.

Miscellaneous Drugs/ Supplies: HCPCS Code Z7610

Miscellaneous drugs and supplies for non-surgical procedures are billed with HCPCS code Z7610. This code may be used only by hospital outpatient departments, emergency rooms, surgical clinics, and community clinics.

Billing Instructions

Use HCPCS code Z7610 to bill for supplies and drugs for non-surgical procedures, as follows:

- Bill only one code Z7610 claim line per outpatient visit per date of service, with the following exception:
 - If multiple medications are billed using code Z7610, the billing code can be repeated on additional claim lines with the appropriate National Drug Code (NDC) provided for each line where code Z7610 is billed.
 - ❖ If an NDC cannot be provided for additional claim lines billing code Z7610, an attachment or a statement in the *Remarks* field (Box 80) must be provided for each claim line.
- Enter a primary diagnosis and, when available, a secondary diagnosis on the claim. Avoid, when possible, the use of “unspecified,” “NOS,” or “other” diagnosis codes. Do not use “E” codes.
- Items ordinarily billed under the codes in the *Medical Supplies List* or the *Medi-Cal List of Contract Drugs* are not to be billed with code Z7610 unless the items are used under acute or emergency conditions.
- Payments for HCPCS code Z7610 will not include payments for injectable drugs. Use the codes from the *Injections: Code List* section in this manual for injectables given in a non-general anesthesia case.
- Itemize the materials and supplies in the *Remarks* field (Box 80) of the claim or attach an itemized list to the paper claim.

Claim Form Example

Refer to the *Supplies and Drugs Billing Examples: UB-04* section in this manual for a billing example for supplies used in the emergency room using HCPCS code Z7610.

Supply Items Covered

HCPCS code Z7610 should be used by Outpatient providers to bill for miscellaneous supplies required for the care and treatment of illness. This code can only be used when the item being billed does not have a unique billing code and the supply is not related to a surgical procedure. Use of HCPCS code Z7610 for supplies used in a surgical procedure or items that have their own unique billing codes can result in underpayments or denials.

The following items have unique billing codes and should not be billed with HCPCS code Z7610:

- I.V. solutions/medications
- Injections
- Casts
- Crutches
- Blood products
- Laboratory procedures
- Radiology procedures
- Glasses/lenses
- Orthotics/prosthetics
- Surgical trays/supplies (require a UA or UB modifier)
- Take home medications (billed by Pharmacy providers)

CPT® code 99070 should be used only to bill for supplies and materials provided by the physician over and above those routinely used during an office visit.

Supplies and Materials (CPT Code 99070)

CPT code 99070 is used to bill for physicians' unlisted supplies and materials for non-surgical procedures on a *UB-04*. If more than one claim line is used for the same date of service, the additional line(s) will be denied.

Supplies that have a unique billing code are not payable with code 99070. This code should be used only to bill for supplies and materials provided by the physician over and above those usually used during a routine office visit. The following items are not separately reimbursable:

- Incidental items (for example, gowns, gloves, drapes, swabs, cotton balls, adhesive bandages).
- Supplies required to perform laboratory and pathology procedures. These supplies are included in the reimbursement for the laboratory or pathology service and are not separately payable.
- Supplies associated with the collection of a Pap or vaginal smear.
- Supplies associated with injections (for example, syringes and needles). These supplies are included in the administration fee portion of injection reimbursement and are not separately payable.

Note: Code 99070 is not reimbursable for Inpatient providers. Inpatient providers should not bill code 99070 on the *UB-04* claim form.

Naltrexone (Oral Form)

The oral form of naltrexone HCl is only reimbursed when it is rendered to program recipients as part of a comprehensive opioid-free maintenance program.

Hospital outpatient departments and outpatient clinics may bill

Medi-Cal directly for patient visits, laboratory tests and medical procedures that (1) are medically necessary, (2) conform with utilization control requirements and (3) are part of a total maintenance program.

Hospital outpatient departments and outpatient clinics may bill for the ingredient cost of naltrexone in the same manner as other drugs administered or supplied during the patient visit using HCPCS code Z7610.

Outpatient drug abuse treatment programs that bill counties for their services shall be reimbursed for treating Medi-Cal patients through the Drug/Medi-Cal System administered by the Department of Health Care Services.

<<Legend>>

<<Symbols used in the document above are explained in the following table.>>

| Symbol | Description |
|---------------|---|
| << | This is a change mark symbol. It is used to indicate where on the page the most recent change begins. |
| >> | This is a change mark symbol. It is used to indicate where on the page the most recent change ends. |