



Medical Billing for Pharmacist Services: Breaking Down the Equation

Catherine Gilmore, PharmD, BCACP
Assistant Professor, Pharmacy Practice at St. Louis
College of Pharmacy at UHSP
Pharmacist, Beverly Hills Pharmacy, St. Louis, MO



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Disclosures and Conflict of Interest


Catherine Gilmore declares no conflicts of interest, real or apparent, and no financial interests in any company, product, or service mentioned in this program, including grants, employment, gifts, stock holdings and honoraria.



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Artificial Intelligence (AI) was utilized in the development of this educational content. ChatGPT 4o Plus was utilized for the *generation of works cited/references*.




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Pharmacist Objectives

At the conclusion of this program, the pharmacist will be able to:

1. Describe the importance of medical billing for pharmacists
2. Define key terminology related to medical terminology
3. Explain the relationship between billing and pharmacist-provided services



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Technician Objectives

At the conclusion of this program, the pharmacist will be able to:

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Which of the following statements is **true** about the value of billing for pharmacist services?

- A. Pharmacists should *only* bill under a supervising physician.
- B. Billing enables pharmacists to practice at the top of their education.
- C. Only hospital pharmacists can bill for services.
- D. Medical billing is only relevant for product-based reimbursement.

Pre-Test Question #1



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What is the function of a CPT code in medical billing?

- A. Identifies the location where services are rendered.
- B. Describes services or procedures provided by a healthcare professional.
- C. Specifies drug ingredients used in compounding.
- D. Outlines the documentation details of a patient encounter.

Pre-Test Question #2



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Which service allows pharmacists to coordinate care for patients with multiple chronic conditions?

- A. DSMT
- B. AWV
- C. MTM
- D. CCM

Pre-Test Question #3




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Which of the following best describes the **difference** between a pharmacy claim and a medical claim?

- A. Pharmacy claims use ICD-10 codes while medical claims use NDCs.
- B. Medical claims are adjudicated by PBMs, while pharmacy claims are not.
- C. Medical claims are adjudicated live-time, while pharmacy claims are not.
- D. Pharmacy claims are related to a dispensed product, while medical claims are not.

Pre-Test Question #4



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WHY PHARMACISTS NEED PROVIDER STATUS

The Pharmacy Guild supports Walgreens CEO's comments on securing provider status for pharmacists, if matched with action on staffing

PHARMACISTS: HIGHLY QUALIFIED HEALTH CARE PROVIDERS


OPERATIONS & MANAGEMENT

PHARMACY MODERNIZES, BUT WHERE IS PROVIDER STATUS?

92% of pharmacists consider themselves healthcare providers

2 IN 3 COVID-19 VACCINES GIVEN IN A PHARMACY

PHARMACIST REIMBURSEMENT FOR TEST AND TREAT



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What is medical billing?



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Importance of medical billing for pharmacists

- Practice at the top of our education, not our license
- Shows our value as healthcare providers
- We need to get paid for cognitive services
- Recognition for the work
- Service expansion
- Primary care provider shortage



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Background terminology

Pharmacy benefit: pharmacy dispenses **product** to patient and charges the patient's **drug benefit** of their insurance

- PBM (pharmacy benefit manager): subcontractor of insurance plan to administer drug benefit portion

Medical benefit: provider delivers a **service** and charges the patient's **medical benefit** of their insurance

Billing: the process where a healthcare provider submits a **claim** to the insurance company to receive payment for **goods** or **services** provided to a patient



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Vertical Business Relationships Within the U.S. Drug Channel, 2025

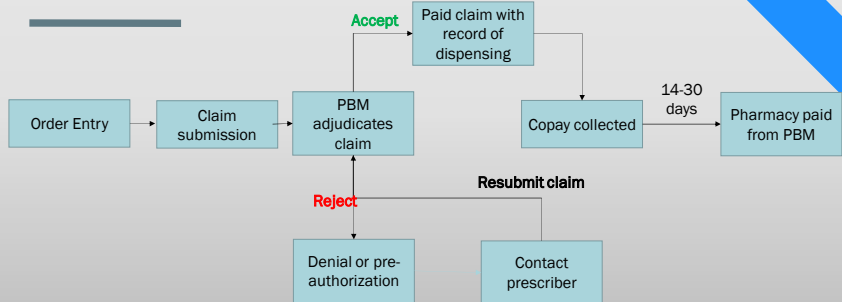
	BlueCross BlueShield	CIGNA	CENTENE Corporation	CVS Health	Humana	UNITEDHEALTH GROUP
Insurer	BlueCross BlueShield	CIGNA	Medicaid wellcare ambetter	aetna	Anthem Wellpoint	Humana United Healthcare
PBM	Prime THERAPEUTICS	Express Scripts	CENTENE PHARMACY SERVICES	CVS caremark	carelon Rx	Humana Pharmacy Solutions Optum Rx
GPO	synergie	Ascent health Services	—	zinc	synergie	— EMISAR
Manufacturer	—	Quallent	—	cordavis	—	— nuvaira
Wholesale distribution	—	CuraScript SD	—	—	—	— Optum Frontier Therapies
Specialty/mail pharmacy	Prime Therapeutics	Accredo Freedom Fertility	AcaciaHealth	CVS specialty	carelon BioPlus	CenterWell Specialty Pharmacy Optum Specialty Pharmacy
Retail/LTC pharmacy	—	—	—	CVS pharmacy Omnicare	—	— genOa PHARMSCRIPT
Provider	—	EVERNORTH MDLIVE Village	Community Magellan	CVS specialty health Oak St. Health	carelon health	CenterWell CenterWell PHARMSCRIPT Optum

Fein AJ. Mapping the vertical integration of insurers, PBMs, specialty pharmacies, and providers—April 2025. Drug Channels. Published April 30, 2025. <https://www.drugchannels.net/2025/04/mapping-vertical-integration-of.html>



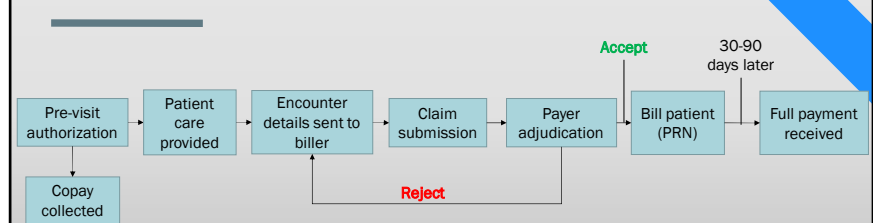
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Pharmacy billing cycle



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Medical billing cycle



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Compare and contrast

	Pharmacy Benefit	Medical Benefit
Who is paid?	Pharmacy	Individual provider
Who does the billing?	Pharmacy	Clinic/pharmacy
What is being paid for?	Product	Service
Time until claim approval	Live-time	Weeks to months
Provider credentialing?	No	Yes



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Pharmacy claims form

Key components

- Patient billing information
- Pharmacy info (NPI)
- NDC, qty, days supply
- Provider ID
- Dates written and of service
- Pricing column

Image citation: <https://forms.pai.com/pdf-forms/other/ncdpd-billing-form/>



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Medical claims form

Key components

- Patient billing information
- Date of current illness
- Provider information
- ICD-10 code
- HCPCS codes with modifiers
- Fill-in-the-blank charges
- Place of service

Image citation: <https://www.coursehero.com/file/120581404/Tricare-1-1500-Health-Insurance-Claim-Form-02-12-Rev-083-PDF/pdf/>

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Medical billing terminology

HCPCS

- Codes that describe the services, procedures, or supplies
- Multiple levels
- J1306 (level 2 HCPCS code): administration of inclisiran (Leqvio)

CPT

- Level 1 HCPCS codes that describe services or procedures provided by a healthcare professional
- Maintained by AMA
- Translate encounter note to billing system
- 99606: first 15 minutes of MTM service with established patient

American Pharmacists Association. A Primer on Billing for Pharmacist Services. <https://aphanet.pharmacist.com/sites/default/files/resource/APhABillingPrimer.pdf>. Published 2016.



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Medical billing terminology

Place of Service

- Location where the service was performed
- e.g., pharmacy, outpatient clinic

NPI

- Number used to identify provider responsible for providing service (National Provider Identifier)

ICD-10

- Diagnostic codes used to document disease states
- E11 = type 2 diabetes
- E11.630 = type 2 diabetes mellitus with periodontal disease

American Pharmacists Association. A Primer on Billing for Pharmacist Services. <https://aphanet.pharmacist.com/sites/default/files/resource/APhBillingPrimer.pdf>. Published 2016.



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Medical billing terminology summary

HCPCS/CPT codes

What was done

Place of service

Where it happened

NPI

Who provided service

ICD-10 code

Why service was done



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Medical billing formula

Service Provided



Why it was done



Who did it



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Medical billing formula

Service Provided



Why it was done



Who did it

CPT/HCPCS code

ICD-10 code

NPI



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What is billable?



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Can pharmacists medical bill?

- **Medicare:** well, that depends...
 - Part D: can bill for Medication Therapy Management services
 - Part B: only under **"incident-to"** billing with direct or general supervision; usually in a **collaborative practice agreement**
- **Medicaid:** depends on the state
- **Commercial:** usually reflect what Medicare allows
 - Can become **credentialed** with individual plans




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What can I do as a pharmacist?

	Where does the pharmacist provide services?		
	Location: Pharmacy	Location: Physician Office	Location: Hospital Outpatient Clinic
Pharmacist is NOT a recognized provider <small>(Physician or NPP bills under their NPI)</small>	CCM—99487, 99489, 99490 TCM—99495, 99496	E/M—99211-215 CCM—99487, 99489, 99490 TCM—99495, 99496 AWV—G0438, G0439 DSMT—G0108, G0109	"Facility Fee"—G0463 CCM—99487, 99489, 99490 TCM—99495, 99496 AWV—G0438, G0439 DSMT—G0108, G0109
Pharmacist is a recognized provider <small>(Pharmacist or pharmacy bills under their NPI)</small>	MTMS—99605, 99606, 99607 E/M—99211-215 DSMT*—G0108, G0109	MTMS—99605, 99606, 99607 E/M—99211-215	MTMS—99605, 99606, 99607 E/M—99211-215

* DSMT can be billed by a pharmacy (not a pharmacist). The pharmacy must furnish other services covered by Medicare Part B and be accredited by a CMS-approved accreditation organization.


AWV = Annual Wellness Visit (page 23); CCM = Chronic Care Management (page 21); DSMT = Diabetes Self-Management Training (page 26); E/M = Evaluation and Management (page 16); Facility Fee (page 18); MTMS = Medication Therapy Management Services (page 25); TCM = Transitional Care Management (page 19).



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What can I do as a pharmacist?

- **Transitional Care Management (TCM):** provided to patient during first 30 days after discharge from hospital
 - Assess and support treatment regimen, medication management
 - Identify community resources and referrals
 - Scheduling required follow-up appointments



CPT: 99495 and 99496 CPT: 99496 High Complexity CPT: 99495 Moderate Complexity

<2 days <7 days <14 days <30 days



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What can I do as a pharmacist?

- **Chronic Care Management (CCM):** care coordination for patients with multiple chronic conditions
- **Annual Wellness Visit (AWV):** annual physical without the physical exam (for Medicare beneficiaries)
 - Collect medical, surgical family histories; establish list of current providers; review functional ability and level of safety
 - Conduct height, weight, BP; detect cognitive impairment
 - Establish written screening schedule; furnish health advice and education; furnish advance care planning services

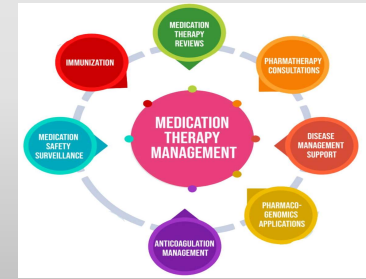
American Pharmacists Association. A Primer on Billing for Pharmacist Services. <https://aphanet.pharmacist.com/sites/default/files/resource/APhABillingPrimer.pdf>. Published 2016.



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What can I do as a pharmacist?

- **Medication Therapy Management (MTM):** optimizes the response to medications or manage medication-related interactions or complications
 - Review patient history and medication profile; make recommendations for improving health outcomes and treatment compliance
- **Diabetes Self-Management Training (DSMT):** educate patients to successfully self-manage diabetes



American Pharmacists Association. A Primer on Billing for Pharmacist Services. <https://aphanet.pharmacist.com/sites/default/files/resource/APhABillingPrimer.pdf>. Published 2016.



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Are pharmacists really doing this?

Pharmacists have been documenting non-dispensing services since 1997 (Asheville Project)

- Led to Diabetes Ten City Challenge and grew from there



Oregon pharmacists paid for clozapine monitoring in 2003

- 2015: OR law required payers to cover any clinical pharmacist service in the state's scope of practice



Clinic-based pharmacists add clinical value and increase primary care revenue streams

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What does it take to bill?

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Credentialing

- The process by which a payor obtains, verifies, and assesses an individual's qualifications to provide patient care services
- Must be credentialed before you can **contract**, and must be contracted before you are **paid**
- Credentialing organizations like Pharmacy Profiles and Doc Station



National Council for Prescription Drug Programs (NCPDP). Pharmacist Credentialing and Technology Standards: Executive Summary. <https://ncpdp.org/NCPDP/media/pdf/Resources/Pharmacist-Credentialing-and-Technology-Standards-Executive-Summary.pdf>. Published 2022.



IF YOU DID NOT DOCUMENT, IT DID NOT HAPPEN



Documentation

SOAP Note Format	Information to Include	
Subjective Patient experiences, views or feelings	<ul style="list-style-type: none"> • Chief Complaint • History of Present Illness • Patient Goals 	<ul style="list-style-type: none"> • Past Medical History • Social History • Family History
Objective Factual, observable, and measurable patient data	<ul style="list-style-type: none"> • Vital Signs • Physical Exam Findings • Labs 	<ul style="list-style-type: none"> • Medication Fill History • Allergies (subjective or objective depending on the source) • Medication List (subjective or objective depending on the source)
Assessment Analysis of patient's disease states or problems	<ul style="list-style-type: none"> • Medication Related Problems • Differential "Diagnoses" • Clinical impression 	
Plan Step-by-step plan to address patient's needs	<ul style="list-style-type: none"> • Pharmacologic Interventions • Non-pharmacologic Interventions 	<ul style="list-style-type: none"> • Patient Education • Monitoring and Follow-up • Referrals, if necessary

Rodder V, Lew V, Ghassamzadeh S. SOAP Notes. (Updated 2023 Aug 28). In: StatPearls [Internet]. Treasure Island (FL): StatPearls Publishing; 2025 Jan-. Available from: <https://www.ncbi.nlm.nih.gov/books/NBK482253/>



Types of billing codes

Time-based Billing

- Total time spent caring for the patient, which includes:
 - Face-to-face time with patient (or virtual)
 - Preparation for visit
 - Documentation in health record
 - Care coordination

Medical Decision-Making Billing

- Evaluation and Management (E/M)
- Based on patient complexity, which includes:
 - Number and complexity of problems addressed
 - Amount and complexity of data reviewed and analyzed

American Academy of Family Physicians. Evaluation and management coding. <https://www.aafp.org/family-physician/practice-and-career/getting-paid/coding/evaluation-management.html>. Published 2023.



Pharmacist medical billing in Illinois

99202	99203	99211	99212	99401
<ul style="list-style-type: none"> \$27.38 15-29 min of E&M (new patient) 	<ul style="list-style-type: none"> \$47.56 30-44 min of E&M (new patient) 	<ul style="list-style-type: none"> \$7.17 <10 min of E&M (established patient) 	<ul style="list-style-type: none"> \$20.61 10-19 min of E&M (established patient) 	<ul style="list-style-type: none"> \$25.50 Preventative medicine counseling (15 min)

- In Illinois, the payable services are limited to contraceptive assessment and consultation services; HIV pre- and post-exposure prophylaxis assessment and consultation services.

Illinois Department of Healthcare and Family Services, Fee Schedule for Licensed Pharmacists: Effective 04/01/2024, Updated 07/11/2024, Springfield, IL: Illinois Department of Healthcare and Family Services; 2024. <https://hfs.illinois.gov/content/dam/soi/en/web/hfs/sitecollectiondocuments/07112024pharmacistfeeschedule04012024.pdf>



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Assessment and consulting services in Illinois

Procedure Code	Description	Unit price	Daily Max Qty	State Max
99202	Office or Other Outpatient Visit for the evaluation and management of a new patient ; 15-29 min	27.38	1	27.38
99203	Office or Other Outpatient Visit for the evaluation and management of a new patient; 30-44 min	47.56	1	47.56
99211	Office or Other Outpatient Visit for the evaluation and management of an established patient; <10 min	7.17	1	7.17
99212	Office or Other Outpatient Visit for the evaluation and management of an established patient; 10-19 min	20.61	1	20.61
99401	Preventive Medicine Counseling; approx. 15 min	25.50	1	25.50

1. <https://hfs.illinois.gov/content/dam/soi/en/web/hfs/sitecollectiondocuments/07112024pharmacistfeeschedule04012024.pdf>
2. <https://www.bcbill.com/provider/education/education-reference/news/2025/3-17-2025-pharmacists-can-enroll-to-bill-under-the-medical-benefit>



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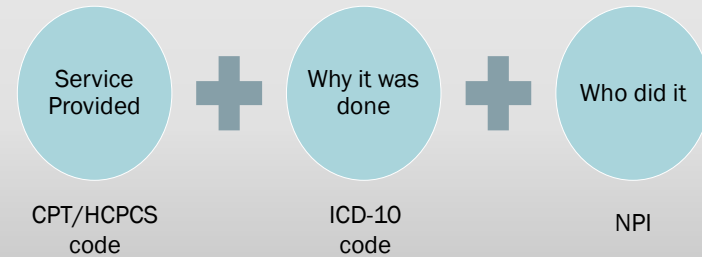
Let's Practice

- My student and I have a 28-minute encounter with a new IL Medicaid patient. We talk about her need for contraception at length. We collected her past medical history, evaluated her current pregnancy status, discussed her contraceptive needs, collected her blood pressure, and discussed preferences for contraceptives. We selected and prescribed an oral contraceptive pill and talked through medication side effects.
- Outside of the encounter note/documentation, what information do we need to bill for this encounter?



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Medical Billing Formula



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Let's Practice

My student and I have a **28-minute** encounter with a **new patient** with **IL Medicaid**. We talk about her need for **contraception** at length. We collected her past medical history, evaluated her current pregnancy status, discussed her contraceptive needs, collected her blood pressure, and discussed preferences for contraceptives. We selected an oral contraceptive pill and talked through medication side effects.

Payer: IL Medicaid

Can we bill?

CPT code(s):

ICD-10 code:

NPI:



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Let's Practice

My student and I have a **28-minute** encounter with a **new patient** with **IL Medicaid**. We talk about her need for **contraception** at length. We collected her past medical history, evaluated her current pregnancy status, discussed her contraceptive needs, collected her blood pressure, and discussed preferences for contraceptives. We selected an oral contraceptive pill and talked through medication side effects.

Payer: MO Medicaid

Can we bill?

CPT code(s): 99202

ICD-10 code: Z30.011

Modifier: FP

NPI: my NPI

Billing code for initial encounter for contraception



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How do I learn more?



APHA BILLING AND PAYMENT CENTER



ASHP - AMBULATORY CARE PRACTITIONERS SECTION



CPESN - SUPPORTING PHARMACISTS AND CREATING PAYER CONTRACTS FOR PHARMACISTS



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Final Tips & Take Home Points

- Pharmacist medical billing requires an understanding of the process
- If you didn't document, it didn't happen
- Pharmacists deserve to get paid for the services we've been giving away for free and medical billing provides that modality



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Questions???



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Thank you

Catherine Gilmore, PharmD, BCACP
Catherine.Gilmore@uhsp.edu



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