

Kaiser Foundation Health Plan of Washington
Kaiser Foundation Health Plan of Washington Options, Inc.
CONTRACT MANAGER NAME
Provider Communications, RCB-C2W-02
PO Box 34262, Seattle WA 98124-1262

AUGUST 25, 2020

INNOVATOR/BIOSIMILAR PRICING CHANGES

Dear Provider,

Effective December 1, 2020, Kaiser Foundation Health Plan of Washington and Kaiser Foundation Health Plan of Washington Options, Inc. (Kaiser Permanente) will make changes to the KFHPWA Addendum B Fee Schedule.

When outpatient drug reimbursement is based on the KFHPWA Addendum B Fee Schedule, the allowed amount for an innovator drug with biosimilars on the market will be replaced with the allowed amount for the corresponding biosimilar drug, as of the start of the calendar year quarter the biosimilar drug became available on the market (see example below).

Example:

- Claim is billed with J1745 (Remicade).
- Allowed amount for Remicade will be replaced with the allowed amount for Q5103 (Inflectra).
- Provider may provide either the innovator drug or biosimilar drug to the patient; however, reimbursement will be at the lowest biosimilar reimbursement allowed amount for that drug.

There will be no change for Kaiser Permanente Medicare Advantage enrollees when reimbursement is based on Medicare's payment methodology.

If you have any questions about these changes, please contact your contracting representative [Contract Manager Name] at [Phone Number] or the Provider Assistance Unit at 509-241-7206 or toll-free at 1-888-767-4670, Monday through Friday from 8 a.m. to 5 p.m.

Sincerely,



Marc Mora, MD
Senior Vice President
Resource Stewardship and Network Management