

Retina—Biosimilars, Dual Inhibitors, and Coding for New Drugs

It is an exciting era in retina. Physicians and patients have become accustomed to anticipating the next big change in clinical interventions—and practices have had to be nimble in keeping up with evolving reimbursement policies. New therapies, including biosimilars and dual inhibitors, have brought new challenges related to reimbursement and step therapy.

Biosimilars. According to the FDA, a biosimilar is “a biologic that is highly similar to and has no clinically meaningful differences in terms of safety, purity, and potency (safety and effectiveness) from an existing FDA-approved biologic, called a reference product.”¹ And what are biologics? Biologics are biological products, such as vaccines, blood products, tissues, gene therapies, and—in the case of aflibercept (Eylea), bevacizumab (Avastin), and ranibizumab (Lucentis)—VEGF inhibitors.

Unlike generics, a proposed biosimilar needs to go through clinical trials to demonstrate its biosimilarity with the reference drug. Biosimilars that succeed in these smaller scale clinical trials inherit the coverage for diseases

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that the FDA approved for the reference product. The biosimilars are typically priced in a manner that can reduce overall costs.

Two FDA-approved biosimilars for Lucentis. Currently, two biosimilars of ranibizumab are FDA-approved based on good safety profiles and similar efficacy. Cimerli (ranibizumab-eqrn) has approval for all indications of the reference drug ranibizumab, as it comes in both the 0.3 and 0.5 mg/0.05 mL formulations. Byooviz (ranibizumab-nuna) has approval for all indications of ranibizumab 0.5 mg/0.05 mL.

Dual inhibitors. Dual inhibitors act on two different molecular targets. Vabysmo (faricimab-svoal), for example, is a dual inhibitor that blocks both VEGF-A and angiopoietin-2. The FDA approved it in early 2022 for the treatment of neovascular age-related macular degeneration (AMD) and

diabetic macular edema (DME). In the AMD trials (TENAYA and LUCERNE) as well as the DME trials (YOSEMITE and RHINE), many patients were able to have their treatment intervals extended to 16 weeks, providing a durability advantage over existing medications. Reduced treatment burden and improved control of fluid within the retina are some of the primary advantages for patients.

Coding for New Drugs

First steps when coding for a new drug. First, you will need to check whether your payer has a step therapy policy that precludes initial use of a new drug (see “Step Therapy,” next page). Then to facilitate timely reimbursement with limited denials, you will need to identify the appropriate coding.

What if a drug doesn't yet have a permanent HCPCS code? When you bill for drugs, you use a five-character alphanumeric code that is known as a HCPCS code (Healthcare Common Procedure Coding System). If a drug hasn't yet been assigned its own HCPCS code, you would use an unlisted or not otherwise classified (NOC) code. For example, payers would typically recognize codes J3490 *Unclassified drugs* and J3590 *Unclassified biologics* if the service was provided in an office and C9399 *Unclassified drugs or biolog-*

Two Ranibizumab Biosimilars			
Biosimilar	Byooviz (ranibizumab-nuna)	Cimerli (ranibizumab-eqrn)	
Dosage	0.5 mg/0.05 mL	0.3 mg/0.05 mL	0.5 mg/0.05 mL
Indications	Neovascular AMD, macular edema following RVO, myopic choroidal neovascularization	Diabetic retinopathy, DME	Neovascular AMD, macular edema following RVO, myopic choroidal neovascularization

ics if provided in a facility.

After a HCPCS code is assigned.

You can no longer use an unlisted or NOC code to bill for an item once a specific HCPCS code is assigned to that item. At this point, CMS usually adds the medication to the average sales price (ASP) quarterly payment files, which is the fee schedule for medications. Prior to this assignment, the medication is carrier-priced by your region's Medicare Administrative Contractor, and the price is typically based on wholesale acquisition cost.

Step Therapy

An ongoing problem. Retina practices have become familiar with payer policies that require step therapy. These “fail first” policies require clinicians to use the payer's preferred drug therapy (typically involving a lower-cost drug) and then document a failed response before alternate drugs are covered. Payers have, for example, applied step therapy policies to the use of anti-VEGF agents in treating proliferative diabetic retinopathy, retinal vein occlusion (RVO), and AMD (see “Step Therapy: Clinicians' Concerns and Challenges,” April 2022, *EyeNet*). Aside from being an administrative burden, step therapy can delay patients' access to optimal treatments.

Hurdles added. With the introduction of the latest retina drugs, some payers have revised their step therapy

policies. These changes, unfortunately, have added new steps. For example, some policies now require the use of biosimilars after failure with bevacizumab before more expensive drugs are covered.

Furthermore, some policies inappropriately require off-label indications prior to the use of preferred brand medications—such as the use of Byooviz prior to aflibercept for diabetic retinopathy. The Academy has successfully addressed some of these flawed policies.

Has step therapy harmed your patients? If you observe adverse reactions or patient harm because of a step therapy requirement, email healthpolicy@aao.org to help guide the Academy's ongoing work with CMS.

Introducing a New Drug Into Your Retina Practice

Before implementing new drugs into your practice, review this checklist:

1. Review the FDA label and confirm indications for and frequency of treatments, as this may vary from other medications currently used in the practice.

2. Identify any published payer policies for the new drug and any unique documentation guidelines or required HCPCS codes. Also review any step therapy policies.

3. Report with an NOC HCPCS code, J3490, J3590, or C9399, until a permanent code is assigned (see “Coding

for New Drugs,” previous page).

4. Check your CMS-1500 form to ensure that you have entered the required information, including the following:

- Item 19, or its Electronic Data Exchange (EDI) equivalent, should include the medication name and dosage (in mg/mL), as well as the invoice amount.
- Item 24a, or EDI loop 2410, should include the “N4” qualifier followed by the unique national drug code (NDC) for the medication in 5-4-2 format and the unit of measure (UOM). For Cimerli (0.5 mg/0.05 mL), for example, this would be N470114044101 ML0.05. (Note: On the claim form, don't include hyphens in the NDC and put uppercase “ML” before the UOM.)

5. Monitor remittance advice notices to ensure that you are being reimbursed appropriately, and create audit reports to monitor correct coding and payer allowables.

6. Watch for a permanent HCPCS code and make sure your practice updates its coding procedures. When a drug is assigned a permanent HCPCS code, there is an effective date. Additionally, the new code descriptor will include the size of each dosage unit, which enables you to calculate how many units to report. For example, effective for dates of service on or after April 1, 2022, Byooviz was assigned HCPCS code Q5124, *injection, ranibizumab-nuna, biosimilar (Byooviz), 0.1 mg*. As a result, when reporting an intravitreal injection of Byooviz, 0.5 mg, you would code Q5124, 5 units.

Tip: Create a cheat sheet. You can make your practice's coding more efficient and accurate by creating a quick reference guide for all your retina medications—but each quarter may bring new coding guidance (e.g., a new HCPCS code), so keep it up to date.

1 www.fda.gov/drugs/biosimilars/review-and-approval. Accessed March 8, 2023.

MORE ONLINE. For more on step therapy, see this article at aao.org/eyenet. For documentation and coding guidance for intravitreal injection, including documentation checklists and the Table of Common Retina Drugs, visit aao.org/retinapm.

Quick Reference for New Retina Drugs

Drug	HCPCS	Descriptor	Units	NDC in 5-4-2 format
Byooviz, 0.5 mg	Q5124	<i>Injection, ranibizumab-nuna, biosimilar (Byooviz), 0.1 mg</i>	5	64406-0019-07
Cimerli, 0.3 mg	Q5128*	<i>Injection, ranibizumab-eqrn (Cimerli), biosimilar, 0.1 mg*</i>	3*	70114-0440-01
Cimerli, 0.5 mg	Q5128*	<i>Injection, ranibizumab-eqrn (Cimerli), biosimilar, 0.1 mg*</i>	5*	70114-0441-01
Vabysmo, 6 mg	J2777	<i>Injection, faricimab-svoa, 0.1 mg</i>	60	50242-0096-01

* Effective April 1, 2023.