

# AVERAGE SALES PRICE (ASP) FOR MEDICARE PART B ESTABLISHED FOR SECOND-QUARTER 2018

When SIMPONI ARIA® (golimumab) is administered in a physician's office and covered under Medicare Part B, it is reimbursed based on ASP + 6%.<sup>1</sup>

- ASP is based on quarterly sales data provided by manufacturers<sup>2</sup>

$$\text{ASP} = \frac{\text{Gross Sales} - (\text{Discounts} + \text{Chargebacks} + \text{Rebates})}{\text{Total Number of Units Sold}}$$

- Manufacturers submit ASP data to the Centers for Medicare & Medicaid Services (CMS) by specific deadlines following the end of each quarterly period. CMS uses this data to determine the Medicare reimbursement rate for the subsequent quarter. This results in a two-quarter lag between the quarter in which the sales occur and the time when the sales are reflected in a revised reimbursement rate. For example, first-quarter sales become the basis for third-quarter reimbursement<sup>3</sup>

## Second-Quarter 2018 SIMPONI ARIA® Medicare Allowable<sup>4</sup>

HCPCS CODE	SHORT DESCRIPTION	SECOND-QUARTER 2018 ASP RATE
J1602 <sup>4</sup>	golimumab for IV use, 1 mg <sup>4</sup>	\$24.037 per 1 mg <sup>4</sup>

Note: J1602 is reported per 1-mg unit. Medicare Allowable is based on ASP + 6%.

SIMPONI ARIA®	# OF UNITS	SECOND-QUARTER 2018 MEDICARE ALLOWABLE
50-mg/4-mL vial	50	\$1201.85 per vial

### Please see accompanying full Prescribing Information, including **Boxed WARNINGS** and Medication Guide for SIMPONI ARIA®. Provide the Medication Guide to your patients and encourage discussion.

The fact that a drug, device, procedure, or service is assigned a HCPCS code and a payment rate does not imply coverage by the Medicare program, but indicates only how the product, procedure, or service may be paid if covered by the program. Fiscal Intermediaries (FIs)/Medicare Administrative Contractors (MACs) determine whether a drug, device, procedure, or other service meets all program requirements for coverage.<sup>5</sup>

The information in this guide is provided to assist you in understanding the reimbursement process. It is intended to help providers in accurately obtaining reimbursement for healthcare services. It is not intended to increase or maximize reimbursement by any payer. We strongly suggest that you consult your payer organization with regard to local reimbursement policies. This document is presented for informational purposes only and is not intended to provide reimbursement or legal advice. Laws, regulations, and policies concerning reimbursement are complex and updated frequently. While Janssen Biotech, Inc., has made an effort to be current as of the issue date of this document, the information may not be as current or comprehensive when you view it. Please consult with your counselor reimbursement specialist for any reimbursement or billing questions. Similarly, all Current Procedural Terminology (CPT®)\* & Healthcare Common Procedural Coding System (HCPCS) billing codes are supplied for informational purposes only and represent no statement, promise, or guarantee by Janssen Biotech, Inc., that these codes will be appropriate or that reimbursement will be made.

\* CPT® is a registered trademark of the American Medical Association.

**References:** 1. 42 CFR § 414.904. 2. 42 CFR § 414.804. 3. 42 USC § 1395w-3a. 4. Centers for Medicare & Medicaid Services. 2018 ASP Drug Pricing Files. <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Part-B-Drugs/McrPartBDrugAvgSalesPrice/2018ASPFfiles.html>. Accessed March 8, 2018. 5. Centers for Medicare & Medicaid Services. CMS Manual System, Pub 100-04 Medicare Claims Processing. <http://www.cms.gov/transmittals/downloads/R1139CP.pdf>. Accessed March 8, 2018.



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