



Oregon

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To: Providers of Pharmaceutical Services

From: Jean Phillips, Deputy Administrator
DMAP Policy and Planning Section

Subject: Changes in Pharmacy Reimbursement

Effective April 1, 2008, the Division of Medical Assistance Programs (DMAP) will reimburse all drug claims (including family planning and nutritional support) billed with National Drug Codes (NDC) at the lesser of:

- The billed amount, or
- The Estimated Acquisition Cost (EAC), minus applicable co-payments, plus a professional dispensing fee.

The EAC is the lesser of:

- Discounted Average Wholesale Price (AWP):
 - For retail pharmacies: 85% of AWP of the drug;
 - For institutional pharmacies: 89% of AWP for clients in a nursing facility or community based living facility;
 - For contracted mail order pharmacy: 79% of AWP for single-source drugs, 40% of AWP for multiple source drugs and 82% of AWP for inject-able drugs;
- The Centers for Medicare and Medicaid Services (CMS) federal upper limits (FUL)
- The Oregon Maximum Allowable Cost (OMAC)

This policy is found in OAR 410-121-0155; see the Pharmaceutical Services Rulebook for details. All Rulebooks are on the DMAP web page: <http://www.dhs.state.or.us/policy/healthplan/guides/main.html>

Questions?

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