

11/12/09

Bulletin No. 09-27E

5444

5444 Price for Ingredients

Payment for the ingredients in covered prescriptions is made for two groups of drugs: multiple-source (i.e., therapeutically equivalent or generic drugs) and "other" drugs (i.e., single-source drugs [brand name] or drugs "other" than multiple-source).

A. For multiple-source drugs, the price for ingredients will be the lowest of:

1. ~~an amount established as the CMS Federal upper Upper limit-Limit (FUL) derived from a listing issued by CMS, formerly the Health Care Financing Administration, under the authority of Sec. 902(a)(30)(A) of the Social Security Act, or~~
2. ~~an amount established as the upper limit by the Office of Vermont Health Access~~the state Maximum Allowable Cost (MAC), or
3. the Usual and Customary (U&C) charge, or
34. the Average Wholesale Price (AWP) reduced by a percentage that is reflective of The Office of Vermont Health Access' appropriation in the state budget as passed by the Governor and/or the Legislature.

B. For "other" drugs, the price for ingredients ~~will~~shall be the lowest of:

1. the Usual and Customary (U&C) charge, or
2. ~~88.1 percent of~~ the Average Wholesale Price (AWP less 11.9 percent) reduced by a percentage that is reflective of The Office of Vermont Health Access' appropriation in the state budget as passed by the Governor and/or the Legislature.

The exact payment methodology can be found in Attachment 4.19-B of the Vermont Medicaid State Plan.

11/12/09

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5552

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Payment for the ingredients in covered prescriptions is made for two groups of drugs; multiple-source (i.e., therapeutically equivalent or generic drugs) and "other" drugs (i.e., single-source drugs [brand name] or drugs "other" than multiple-source).

aA. For multiple-source drugs, the price for ingredients will be the lowest of:

1. ~~an amount established as the upper limit derived from a listing issued by CMS, formerly the Health Care Financing Administration, under the authority of Sec. 902(a)(30)(A) of the Social Security Act~~ the CMS Federal Upper Limit (FUL), or
2. the state Maximum Allowable Cost (MAC) ~~an amount established as the upper limit by the Office of Vermont Health Access, or~~
3. the Usual and Customary (U&C) charge, or
34. ~~85.8 percent of~~ the Average Wholesale Price (AWP ~~less 14.2 percent~~) reduced by a percentage that is reflective of The Office of Vermont Health Access' appropriation in the state budget as passed by the Governor and/or the Legislature.

bB. For "other" drugs, the price for ingredients ~~will~~ shall be the lowest of:

1. the Usual and Customary (U&C) charge, or
2. ~~85.8 percent of~~ the Average Wholesale Price (AWP ~~less 14.2 percent~~) reduced by a percentage that is reflective of The Office of Vermont Health Access' appropriation in the state budget as passed by the Governor and/or the Legislature.

The exact payment methodology can be found in Attachment 4.19-B of the Vermont Medicaid State Plan.

When a physician certifies in his or her own handwriting that a specific brand of a multiple-source drug is medically necessary for a particular ~~recipient~~ beneficiary, the price for ingredients will be calculated as for "other" drugs. The physician's handwritten phrase "brand necessary" or "brand medically necessary" must appear on the face of the prescription.

11/12/09

Bulletin No. 09-27E

7501.4

7501.4 Price for Ingredients

Payment for the ingredients in covered prescriptions is made for two groups of drugs; multiple-source (i.e., therapeutically equivalent or generic drugs) and "other" drugs (i.e., single source [brand name], or drugs "other" than multiple-source).

~~(aA)~~ For multiple-source drugs, the price for ingredients will be the lowest of:

~~(i1)~~ the CMS Federal Upper Limit (FUL)~~an amount established as the upper limit derived from a listing issued by the Health Care Financing Administration under the authority of Sec. 1902(a)(30)(A) of the Social Security Act,~~ or

~~(ii2)~~ the state Maximum Allowable Cost (MAC)~~an amount established as the upper limit by the Department,~~ or

3. the Usual and Customary (U&C) charge, or

~~(iii4)~~ 85.8 percent of the Average Wholesale Price (AWP less 14.2 percent) reduced by a percentage that is reflective of The Office of Vermont Health Access' appropriation in the state budget as passed by the Governor and/or the Legislature.

~~(bB)~~ For "other" drugs, the price for ingredients ~~will~~shall be the lowest of:

1. the Usual and Customary (U&C) charge, or

2. 85.8 percent of the Average Wholesale Price (AWP less 14.2 percent) reduced by a percentage that is reflective of The Office of Vermont Health Access' appropriation in the state budget as passed by the Governor and/or the Legislature.

The exact payment methodology can be found in Attachment 4.19-B of the Vermont Medicaid State Plan.

When a physician certifies in his or her own handwriting that a specific brand of a multiple-source drug is medically necessary for a particular ~~recipient~~beneficiary, the price for ingredients will be calculated as for "other drugs". The physician's handwritten phrase "brand necessary" or "brand medically necessary" must appear on the face of the prescription.