

June 13, 2008

Montana Healthcare Programs Notice

Pharmacies

Pharmacy Claims Pricing Adjustments

Montana Medicaid is required by federal law to reimburse no more than the Federal Maximum Allowable Cost (FMAC) when one has been assigned to a drug, unless an appropriate Dispense as Written (DAW) code is submitted.

Montana Medicaid recently discovered pharmacy claims for some drugs which paid at Average Wholesale Price (AWP) less 15 percent, instead of the required FMAC.

This error affected 4,900 claims submitted to Montana Medicaid between June 4, 2007, and October 24, 2007, for “branded generic” drugs without the proper DAW code.

The Department is required to adjust these claims to the appropriate price in order to comply with federal regulations. This mass adjustment is scheduled to occur the week of July 15, 2008.

Contact Information

For claims questions or additional information, contact Wendy Blackwood, Pharmacy Program Officer, at (406) 444-2738 or Provider Relations:

Provider Relations toll-free in- and out-of-state: 1-800-624-3958

Helena: (406) 442-1837

E-mail: MTPRHelpdesk@ACS-inc.com

Visit the Provider Information website:

<http://www.mtmedicaid.org>