



# Medicaid Pharmacy News

Dear Providers:

March 9, 2017

## **NEW REIMBURSEMENT METHODOLOGY FOR PHARMACIES**

**Effective on April 1, 2017**, Wyoming Medicaid is implementing National Average Drug Acquisition Cost (NADAC) based reimbursement methodology for Medicaid Pharmacy Providers. Covered Outpatient Drugs will be reimbursed at the lesser of NADAC, Federal Upper Limit (FUL), State Maximum Allowable Cost (SMAC), Ingredient Cost Submitted, Gross Amount Due (GAD), or Usual and Customary (U&C). For all price points except GAD and U&C, the professional dispensing fee of \$10.65 per prescription will be included in the calculation of “lesser of logic”. If a NADAC is not available for a particular drug, Wholesale Acquisition Cost (WAC) will be substituted for NADAC in the lesser of logic. If neither NADAC nor WAC are available, Average Wholesale Price (AWP) minus 11% will be used in the lesser of logic. The professional dispensing fee of \$10.65 per prescription applies to all pharmacy providers except Indian Health Service pharmacies.

As outlined above, pharmacy reimbursement will be based on a lesser of:

- National Average Drug Acquisition Cost (NADAC) + \$10.65,
- Federal Upper Limit (FUL) + \$10.65,
- State Maximum Allowable Cost (SMAC) + \$10.65,
- Ingredient Cost Submitted + \$10.65,
- Gross Amount Due (GAD), and
- Usual and Customary (U&C)

When NADAC is not available, the reimbursement will be based on a lesser of:

- Wholesale Acquisition Cost (WAC) + \$10.65,
- Federal Upper Limit (FUL) + \$10.65,
- State Maximum Allowable Cost (SMAC) + \$10.65,
- Ingredient Cost Submitted + \$10.65,
- Gross Amount Due (GAD), and
- Usual and Customary (U&C)

When NADAC and WAC are not available, the reimbursement will be based on a lesser of:

- [Average Wholesale Price (AWP)-11%] + \$10.65,
- Federal Upper Limit (FUL) + \$10.65,
- State Maximum Allowable Cost (SMAC) + \$10.65,
- Ingredient Cost Submitted + \$10.65,
- Gross Amount Due (GAD), and
- Usual and Customary (U&C)

**Please direct any questions regarding reimbursement changes to the Change Healthcare Pharmacy Help Desk at 877-209-1264.**