

Supplemental Rebate Template Agreement Instructions

PURPOSE:

- Provide process information to drug manufacturers that want to negotiate supplemental rebates with the Department of Human Services (DHS), Office of Medical Assistance Programs (OMAP), in order for their drug to be considered for inclusion on the Plan Drug List (PDL).
- Provide drug manufacturers who wish to submit supplemental drug rebate offers to OMAP, with the contract template for supplemental drug rebates that have been approved by the Centers for Medicare and Medicaid Services (CMS).

POLICY

- The Health Resources Commission (HRC) will evaluate the evidence for relative safety, efficacy, and effectiveness of drug classes on a periodic basis and make recommendations to OMAP. Where the HRC advises that a drug is eligible for inclusion, drug manufacturers will have the opportunity to be listed on the PDL if the net price is less than the benchmark price.
- OMAP will solicit bids periodically for specific drug classes by notifying all drug companies for which contact information has been provided. The Manufacturer may submit Supplemental Rebate Offers by the following procedure.

PROCEDURE

1. Drug manufacturers may obtain a copy of the Oregon Administrative Rule (OAR 410-121-0032) on the DHS Web site at:
<http://www.dhs.state.or.us/policy/healthplan/guides/pharmacy/main.html>

The Supplemental Rebate Agreement template is located on the DHS Web site at <<http://www.oregon.gov/DHS/healthplan/supp-rebate/main.shtml>>.

2. Drug manufacturers must use the Supplemental Rebate Agreement template and its attachment B to submit offers.

All offers are to be calculated as net price, as defined on page 2 of the Supplemental Rebate Agreement template.

Manufacturers must submit the following information on the template:

- a. Contract Administrator name and phone number (page 1), also include Manufacturer's Federal ID number and the contract administrator's fax number;
 - b. Contract ending date should be a minimum of 18 months after the date of the offer (page 6);
 - c. Manufacturer's contact name and address for notification (page 9);
 - d. Manufacturer's authorized signature and date (page 9);
 - e. Covered products included for the supplemental rebate offer (page 10); and
 - f. Covered products net price offer (page 11).
3. Manufacturers are to mail the signed supplemental rebate contract with up to three B attachments to:

Department of Human Services
Office of Medical Assistance Programs
Pharmacy Program Manager, Policy Unit
500 Summer St. NE, E-35
Salem, OR 97301-1077

4. Supplemental rebate offers for specific drugs must be received no later than the date indicated on the notification letter.
5. OMAP will notify drug manufacturers when the Department of Human Services, and CMS if required have approved the contract. OMAP will also notify manufacturers of the date the drug will be added to the Plan Drug List.
6. OMAP reserves the right to consider offers at any time.