

Pharmacy Reimbursement Questions and Answers

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Average Actual Acquisition Cost Program

The Oregon Health Authority received federal approval from the Centers for Medicare and Medicaid Services to implement a new reimbursement methodology for prescription products dispensed to OHP clients on a fee-for-service basis. The new method will more accurately reflect the true acquisition cost for drugs and the cost of dispensing. This document provides answers to questions pharmacies may have about this change.

- [Questions about Average Actual Acquisition Cost \(AAAC\) rates](#)
- [Questions about Acquisition Cost and Claim Volume surveys](#)
- [Questions about reimbursement changes](#)

If you have questions not answered here about the new AAAC pricing methodology and reimbursement rates, contact [Myers and Stauffer](#) (800-591-1183). If you have questions about the DMAP pharmacy policies that support this change, contact the [DMAP Pharmacy Program](#).

Average Actual Acquisition Cost (AAAC) rates

What is AAAC?

AAAC stands for Average Actual Acquisition Cost. This is the average of all AAAC rates collected in Acquisition Cost Surveys and will serve as the reimbursement rate. The AAAC rates will be collected by the State's contractor, Myers and Stauffer, through an Acquisition Cost Survey process.

Who maintains the AAAC rates?

The OHA has contracted with Myers and Stauffer, LC, a national consulting firm, to provide assistance for the purpose of establishing, evaluating, maintaining, and updating the AAAC rates.

How will the AAAC rates be updated?

Myers and Stauffer will obtain and review acquisition cost data provided by enrolled DMAP pharmacies through the survey process to ensure AAAC rates reflect current pharmaceutical market conditions. To respond to changes in the pharmaceutical market that may impact the price and/or availability of drug products, adjustments to the AAAC program will be made weekly.

What if I have questions or concerns about reimbursement rates for a particular drug product?

Providers may contact Myers and Stauffer in writing by e-mail, regular mail, fax, toll free telephone, or online.

Myers and Stauffer, LC
Pharmacy Unit
9265 Counselors Row, Suite 200
Indianapolis, IN 46240
Phone: 800-591-1183
Fax: 317-571-8481
Email: pharmacy@mslc.com

For information on the Reimbursement Rate Review, please visit the Myers and Stauffer Rate Review Web page at <http://or.mslc.com/RequestRateReview.aspx>.

Providers initiating requests for review of AAAC rates or other issues may be contacted to request supporting documentation or other information. Myers and Stauffer will evaluate the inquiry and respond to all submitted requests.

Acquisition Cost and Claim Volume surveys

How often will I be required to respond to acquisition cost surveys?

Pursuant to OAR 410-121-0155 in DMAP's [Pharmaceutical Services rulebook](#), all enrolled pharmacy providers will only be required to participate in a rolling survey process once every eighteen to twenty-four month period.

For what time period will my pharmacy be asked to provide acquisition cost data?

All enrolled DMAP pharmacy providers are eligible for selection to provide drug purchase information. When a request is received for ingredient cost information, cost data is expected for the most recent 30 day period.

How often will I be required to respond to volume surveys?

Pursuant to OAR 410-121-0160 in DMAP's [Pharmaceutical Services rulebook](#), all enrolled DMAP pharmacy providers will be required to participate in an annual claims volume survey.

Who within my company should complete the surveys?

Anyone in the pharmacy or in the corporate office may fill out the survey. A letter of attestation must be signed by the store owner or majority owner for independent pharmacies and by the pharmacy or store manager or corporate officer for chain pharmacies. Chain stores may request surveys be sent to the Corporate offices rather than individual stores.

Will my information be shared with anyone other than the OHA and Myers and Stauffer?

No. All purchase price information submitted for this project will remain strictly confidential and is protected pursuant to ORS 192.502 and Federal laws, including 45 CFR Sections 160.100-

164.534. If your pharmacy requires a non-disclosure agreement with the OHA, [click here for instructions](#).

Reimbursement changes

How will my claims be reimbursed?

The AAAC will replace the Oregon Maximum Allowable Cost (OMAC) for reimbursement. DMAP will no longer reimburse based on Average Wholesale Price (AWP). See OAR 410-121-0155 in DMAP's [Pharmaceutical Services rulebook](#) for more specific information on reimbursement methodology.

How will my dispensing fee be calculated with the new AAAC program?

Dispensing fees will be based on your pharmacy's total annual claims volume, as determined by the claims volume survey process. Dispensing fee tiers are as follows:

- Less than 29,999 claims a year = \$14.01
- Between 30,000 and 49,999 claims per year = \$10.14
- 50,000 or more claims per year = \$9.68

If my pharmacy is enrolled in the 340B Program, how will my reimbursement change?

Federal guidelines require 340B entities to bill at 340B costs. Your dispensing fee will be based on annual claims volume per the new AAAC Program. You no longer need to enter "09" (Other/340B) in field 423-DN of the Pricing Segment as listed in [Oregon Medicaid Pharmacy Payer Sheet](#) to receive correct reimbursement.

*Please note: if your point of sale system is configured to automatically enter this information, you do not need to change it. Reimbursement will not be affected if this information is entered.

If my pharmacy is a Long Term Care pharmacy, how will my reimbursement change?

Your pharmacy will be included in the AAAC Program as any other pharmacy is. You will no longer be required to enter value 04 (Long Term/Extended Care) in field 307-C7 of the Patient Segment as listed in [Oregon Medicaid Pharmacy Payer Sheet](#) to receive correct reimbursement.

*Please note: if your point of sale system is configured to automatically enter this information, you do not need to change it. Reimbursement will not be affected if this information is entered.

If my POS system is configured to automatically populate fields that are no longer required by the AAAC Program, do I need to change my system?

No. Data in those fields will no longer be looked at for reimbursement rates.