

Donald Ross, Manager
 DMAP Policy and Planning Section

Authorized Signature

Number: DMAP- IM-11-157

Issue Date: 1/5/2011

Topic: Medical Benefits

Subject: Pharmacy Provider Announcement: AAAC pharmacy reimbursement

Applies to (check all that apply):

- | | |
|--|---|
| <input type="checkbox"/> All DHS employees | <input type="checkbox"/> County Mental Health Directors |
| <input type="checkbox"/> Area Agencies on Aging | <input type="checkbox"/> Seniors and People with Disabilities |
| <input type="checkbox"/> Children, Adults and Families | <input checked="" type="checkbox"/> Other (please specify): DHS staff and others identified on the SPD, CAF, AMH and DMAP transmittal lists |
| <input type="checkbox"/> County DD Program Managers | |

Message:

DMAP will post the attached announcement on the [Provider Announcement](#) page. The announcement reminds pharmacy providers and outlines the new Average Actual Acquisition Cost (AAAC) Reimbursement System.

If you have any questions about this information, contact:

| | | | |
|--------------------|------------------------------|-------------|--|
| Contact(s): | DMAP's Pharmacy Program | | |
| Phone: | | Fax: | |
| E-mail: | dmap.rxquestions@state.or.us | | |

January 5, 2011

To: Pharmacy providers
From: Donald Ross, Manager
DMAP Policy and Planning Section
Subject: Average Actual Acquisition Cost Reimbursement System

The Division of Medical Assistance Programs' (DMAP) new pharmacy reimbursement system went live over the weekend. As previously announced we calculate the Average Actual Acquisition Cost (AAAC) from surveys distributed by Myers and Stauffer on behalf of DMAP. Myers and Stauffer update the AAAC reimbursement rates weekly and can be accessed at <http://www.oregon.gov/OHA/pharmacy/index.shtml>.

The reimbursement rate will be determined from the AAAC, Federal Upper Limit (FUL), or the Usual and Customary (U/C) amount, whichever is lower. When the AAAC is not available, the reimbursement rate will be the lesser of the FUL, U/C, or Wholesale Acquisition Cost (WAC).

In addition to AAAC reimbursement (less patient copayment), retail pharmacies receive a dispensing fee based on the number of scripts filled in 2010, as reported by your pharmacy in November:

- \$14.01 per script for stores filling less than 50,000 scripts per year;
- \$10.14 per script for stores filling between 50,000 and 69,999 scripts per year; or
- \$9.68 per script for stores filling over 70,000 scripts per year.

Resources and helpful links

- **AAAC methodology, rates and review requests:** Myers and Stauffer, Certified Public Accountants at 1-800-591-1183
- **Point of sale billing and prior authorizations:** Oregon Pharmacy Call Center at 1-888-202-2126
- **Questions about this announcement:** E-mail DMAP's Pharmacy Program at dmap.rxquestions@state.or.us or call DMAP Provider Services at 1-800-336-6016

Thank you for your support during this transition.