



Division of Medical Assistance Programs

Information Memorandum Transmittal

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DMAP Policy and Planning Section

Number: DMAP IM 11-084

Authorized Signature

Issue Date: 08/22/2011

Topic: Medical Benefits

Subject: Provider Announcement – Change in usual and customary charges definition

Applies to:

- All DHS employees
- Area Agencies on Aging
- Children, Adults and Families
- County DD Program Managers
- County Mental Health Directors
- Seniors and People with Disabilities
- Other (please specify): DHS and OHA staff and others identified on the SPD, CAF, AMH and DMAP transmittal lists

Message:

During the week of 8/22/11, DMAP will post the following announcement for pharmacy providers to inform them of a change to be effective 9/1/11:

Definition changed for Usual and Customary (U&C) charges:

Effective September 1, 2011, the Pharmaceutical Services definition of Usual and Customary Price (OAR 410-121-0000) is being revised. The new definition is:

- A pharmacy’s charge to the general public that reflects all advertised savings, discounts, special promotions, or other programs including membership based discounts, initiated to reduce prices for product costs available to the general public, a special population, or an inclusive category of customers.

This information has also been added to OAR 410-121-0150 – Billing Requirements.

If you have any questions about this information, contact:

Contact(s):	Provider Services		
Phone:	1-800-336-6016	Fax:	503-945-6873
E-mail:	dmap.providerservices@state.or.us		

Pharmacy Providers

Usual and Customary charge definition revised, effective 9/1/11

Effective September 1, 2011, the Pharmaceutical Services definition of Usual and Customary Price (OAR 410-121-0000) is being revised. The new definition is:

- A pharmacy's charge to the general public that reflects all advertised savings, discounts, special promotions, or other programs including membership based discounts, initiated to reduce prices for product costs available to the general public, a special population, or an inclusive category of customers;

This information has also been added to OAR 410-121-0150 – Billing Requirements.

This means that beginning September 1, 2011, pharmacies must bill DMAP the lowest amount accepted from any member of the general public who participates in the pharmacy's savings or discount program.

For details about billing requirements, see the administrative rule OAR 410-121-0150 in the Pharmaceutical Services Program Rulebook at www.dhs.state.or.us/policy/healthplan/guides/pharmacy/main.html.

We appreciate your continued support of OHP and the services you provide our clients.

Questions?

For questions about this announcement, contact the Provider Services Unit at dmap.providerservices@state.or.us or call 1-800-336-6016, Monday through Thursday, 8:30 a.m. to 4:30 p.m. and Friday 10 a.m. to 4:30 p.m. (phone lines closed 11:25 a.m. to 12:30 p.m. daily).

