

MEDICAL ASSISTANCE BULLETIN

ISSUE DATE July 27, 2009	EFFECTIVE DATE June 26, 2009	NUMBER *See Below
SUBJECT State Maximum Allowable Cost (MAC) List (Including the Federal Upper Limit) – Pharmacy Services		BY  Michael Nardone, Deputy Secretary Office of Medical Assistance Programs

PURPOSE:

The purpose of this bulletin is to provide pharmacies and dispensing providers with access to an updated State MAC list and State MAC prices.

SCOPE:

This bulletin applies to all pharmacies and dispensing providers enrolled in the Medical Assistance (MA) Program that provide services in the FFS delivery system.

BACKGROUND:

The Department of Public Welfare (Department) issued MA Bulletin entitled, “Revisions to the State Maximum Allowable Cost for Pharmaceutical Services” (09-05-07; 24-05-07; 25-05-02; 31-05-07), advising pharmacies and dispensing providers of the current MA Fee-for-Service (FFS) methodology for determining the State MAC for multisource drugs, effective August 22, 2005. In accordance with the provisions in 55 PA Code §1121.56(d), the Department determines the State MAC at the lower of the following:

1. The upper payment level established by the Centers for Medicare and Medicaid Services (CMS), commonly referred to as the Federal Upper Limit (FUL) (55 PA Code §1121.56(d)(1)(i))
2. Provided that the generic product is available at the price established by the Department from at least two wholesalers:

*01-09-32	09-09-33	27-09-30
02-09-29	11-09-29	30-09-29
03-09-29	14-09-29	31-09-34
08-09-33	24-09-32	32-09-29

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The appropriate toll free number for your provider type
Visit the Office of Medical Assistance Programs Web site at www.dpw.state.pa.us/omap

- a. If the generic product is available from more than one manufacturer, the base price of 150% of the lowest acquisition cost for the generic product, unless 150% of the lowest acquisition cost is not at least 120% of the second lowest acquisition cost, in which case the base price will be set at 120% of the second lowest acquisition cost.
- b. If the generic product is available from only one manufacturer, the base price is 120% of the acquisition cost for the generic product. (55 PA Code § 1121.56(d)(1)(ii)(A) and (B))

DISCUSSION:

The update of the State MAC list and State MAC prices is effective June 26, 2009.

The effective date of the Federal Upper Limit is the date established by CMS.

PROCEDURE:

Providers can view the most recent Federal Upper Limits (FUL) at <http://www.dpw.state.pa.us/PartnersProviders/MedicalAssistance/DoingBusiness/MAPharmProg/>

Providers can view the most recent State MAC list and State MAC prices as determined by the methodology described in 55 PA Code § 1121.56(d)(1)(ii)(A) and (B) at: <http://www.dpw.state.pa.us/Resources/Documents/Pdf/StateMACList.pdf>

NOTE: Providers may call 1-800-558-4477, Option 1 to request a hard copy of the most recent FUL or the most recent Updated State MAC List and State MAC prices.