



PUERTO RICO GOVERNMENT

DEPARTMENT OF HEALTH

Public Notice for Medicaid Pharmacy Reimbursement

Effective on or after January 1, 2023, Puerto Rico Medicaid Program (PRMP) will be joining the federal Medicaid Drug Rebate Program (MDRP). As a requirement for joining that program, Puerto Rico must provide a comprehensive description of its fee-for-service reimbursement methodologies for carve out prescription drugs in its State Plan. The proposed reimbursement methodologies will only apply to the very limited prescription drugs that are carved out from the managed care premium rate and paid fee-for-service. The “fee for service” prescription drugs are those reimbursed directly by Puerto Rico Medicaid and carved out from the managed care premium rate in its Medicaid Managed Care Program.

The Puerto Rico Department of Health (PRDoH), through the Puerto Rico Medicaid Program, will file with the Centers for Medicare and Medicaid Services (CMS) an amendment to its State Plan to add this comprehensive description.

These changes are expected to result in savings to the program and for the benefit of Puerto Rico fiscal plan. The increase in the dispensing fee will be offset by the savings accrued by allowing Puerto Rico to join the MDRP.

The proposed methodologies are outlined below.

Puerto Rico Medicaid proposes to make the State Plan Amendment (SPA) effective on or after January 1, 2023 and expects to submit the SPA to CMS by March 31, 2023. Implementation of these changes depends on approval by CMS.

Any person or organization may file written comments on this amendment within thirty (30) calendar days of the publication of this Public Notice on the Medicaid Program website (<https://www.medicaid.pr.gov/>).

Proposed changes may be viewed at local PRMP offices.

a. Comments by mail: Mrs. Luz E. Cruz-Romero, MBA; Director of Operations/Policy and Procedures; Medicaid Program Headquarters; P.O. Box 70184; San Juan, P.R. 00936-8184 and Johan J. Serrano-Gómez, Esq. at Puerto Rico Health Insurance Administration; P.O. Box 195661, San Juan, PR 009119-5661.

b. Comments by e-mail: prmedicaid@salud.pr.gov; johan.serrano@asespr.gov; Exec@asespr.org.

The professional dispensing fee for all carved-out-fee-for-service classes of drugs is \$8.96. Unless otherwise specified, payment for carved-out-fee-for-service drugs is the lowest of:

- 1) the actual acquisition costs of the drugs plus a professional dispensing fee; or
- 2) the state-established maximum allowable cost (MAC), plus a professional dispensing fee;
- 3) the provider's usual and customary charge to the general public.

Puerto Rico Medicaid establishes the actual acquisition cost to equal the National Average Drug Acquisition Cost (NADAC).

For multiple source drugs, the actual acquisition cost is the NADAC for the generic drug, but for multiple source drugs prescribed in accordance with 42 CFR §447.512(c) the acquisition cost will be NADAC for the brand drug.

Puerto Rico Medicaid will calculate the actual acquisition cost of multiple source drugs in conformity with the upper payment limits established under 42 C.F.R. §447.512.

For 340B purchased carved-out-fee-for-service drugs prescribed by an authorized prescriber, the maximum allowed to be billed is as follows:

- A covered entity described in section 1927(a)(5)(B) of the Act. (340B covered entity pharmacy) can bill no more than their actual acquisition cost plus the professional dispensing fee.
- A contracting pharmacy under contract with a 340B covered entity described in section 1927(a)(5)(B) of the Act can bill no more than their actual acquisition cost plus a professional dispensing fee.

Carved-out, fee-for-service drugs purchased through the Federal Supply Schedule and carved-out, fee-for-service drugs purchased at nominal price (outside of the 340B program) are reimbursed at actual acquisition cost plus the professional dispensing fee.

PRMP does not distribute drugs through mail order or long-term care facilities.

Physician-administered drugs (PADs) in all settings will be reimbursed using the current MAC rate. There is no professional dispensing fee. Currently, the only physician-administered drugs that are carved out are Zolgensma and Spinraza.

Investigational drugs are not a covered service.

San Juan, Puerto Rico.