

DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, MD 21244-1850



Center for Medicaid & State Operations

Disabled and Elderly Health Program Group

Susan Dreyfus, Secretary
Department of Social and Health Services
P.O. Box 45010
Olympia, WA 98504-5010
Attn: Ann Myers

NOV 17 2009

Dear Ms. Dreyfus:

We have reviewed Washington State Plan Amendment (SPA) 09-018, received by the Centers for Medicare & Medicaid Services on June 18, 2009. This amendment decreases pharmacy payment for estimated acquisition cost from AWP - 14% to AWP - 16%. It also removes the reference to First Databank as the drug file carrier. We are pleased to inform you that the amendment is approved effective July 1, 2009.

A copy of the CMS-179 form, as well as the pages approved for incorporation into the Washington State Plan will be forwarded by the Seattle Regional Office. If you have any further questions regarding this approval, please contact David Moscovic at (410) 786-4693.

Sincerely,

Larry Reed
Director
Division of Pharmacy

cc: Barbara Richards, ARA, Seattle Regional Office
Maria Garza, Seattle Regional Office

REVISION

SUPPLEMENT A TO ATTACHMENT 4.19-B
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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: WASHINGTON

REIMBURSEMENT FOR PHARMACY SERVICES (Cont)

III. Estimated Acquisition Cost (EAC)

A. The Department uses the Average Wholesale Price (AWP) of each product as posted in the drug file by the drug file carrier, Medispan or other state-designated carrier.

B. Currently applied EAC percentages, effective for dates of service on and after 7/1/09, are:

- AWP-16% for single source drugs;
- AWP-16% for multisource drugs with four or fewer manufacturers/labelers;
- AWP-50% for multisource drugs with five or more manufacturers/labelers and no MAC or FUL; and
- 100% of certified AWP for infusion, injectable, and inhalation drugs with certified AWP's.

TN# 09-018
Supersedes
TN# 03-019

Approval Date

Effective Date 7/1/09