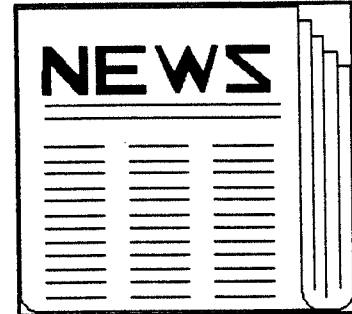




6325 Security Boulevard
Baltimore, MD 21207

AUG 9 1 1993



MEDICAID DRUG REBATE PROGRAM Release No. 8

*** * * IMMEDIATE ATTENTION REQUIRED * * ***

NOTE TO: All Participating Drug Manufacturers

CHANGE TO UNIT TYPE SPECIFICATION

Effective for the quarter beginning January 1, 1994, the UNIT TYPE field will be modified and condensed to eight (8) allowable entries. With this change, we will be adding "each" as a viable unit type. Additional changes include converting "CC" to "ML" and electronically computing the AMP and/or BP when "MG" is being changed to "GM."

Attached are two listings, one showing the unit type values that are permissible, and the other containing your company's products which will be affected by this change. We ask that you review this list and identify any problems that you foresee. If we do not hear from you, we will assume that no problems are anticipated for your drug products. COMMENTS SHOULD BE SENT TO US NO LATER THAN SEPTEMBER 30, 1993.

Note: If you receive only the listing of unit type values, then none of your drug products are affected by this change.

TOPICAL INDEX

To help you in searching for selected topics that were discussed in releases 1 - 7, we developed a topical index which we are including for your use. Suggestions for its expansion or modification are welcome.

TREASURY BILL DISCOUNT RATES

Effective with this note, we intend to publish the Treasury bill discount rates that should be used in the computation of interest on unpaid State rebate claims. This first listing displays the pertinent interest rates from the beginning of the drug rebate program through July 12, 1993. Future listings of the interest rates will be published semi-annually.

REGIONAL OFFICE DRUG REBATE CONTACT PERSONS

In those situations where you need the services of a HCFA drug rebate representative, you are encouraged to contact our regional office personnel at the regional office nearest to you. A listing of the regional office contacts is attached.

TIMEFRAMES FOR SUBMITTING QUARTERLY PRICING DATA

This is just a reminder that quarterly pricing data is due within 30 days after the end of each quarter. Prices for products that have had no price changes MUST also be reported each quarter. Baseline and pricing data for products introduced during a given quarter must be submitted with that quarter's prices.

Please continue to refer your questions to us by calling the drug rebate hotline at (410) 966-3249.



Rozann Abato
Acting Director
Medicaid Bureau

Attachments

cc: Regional Administrators, HCFA

REVISED UNIT TYPES

- AHF Refers only to Anti-Hemophilic Factor injectables.
- CAP Refers to all drugs dispensed in capsule form.
- EA Refers to various drugs not identifiable by another unit type; such as, powder filled vials, powder filled ampules, powder filled packets and kits containing two or more different items dispensed under one NDC and sold at a single price as one unit.
- GM Refers to drugs measured in grams; such as, ointments, gels, inhalers, aerosols and topical drugs primarily labeled with gram measurements.
- ML Refers to drugs measured in millimeters; such as, liquid filled vials, liquid filled ampules, pre-filled syringes, all liquid ophthalmic products, reconstitutable ophthalmic drugs, reconstitutable oral drugs, inhalers, aerosols, and topical drugs primarily labeled with millimeter measurements.
- SUP Refers to ALL suppositories, whether dispensed individually or in dosage packets.
- TAB Refers to all drugs dispensed in tablet form (including oral contraceptives).
- TDP Refers to all transdermal patches.