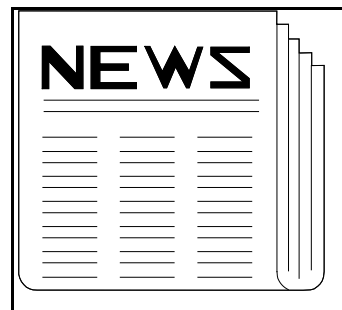


June 11, 1995



MEDICAID DRUG REBATE PROGRAM Release No. 17

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

NOTE TO: All Participating Drug Manufacturers

REMITTANCE ADVICE REPORT (RAR) IMPLEMENTATION WORKGROUP

The RAR implementation workgroup met in Baltimore on June 20-21. Ongoing conference calls will be used to facilitate the completion of the workgroup's assignments no later than September 30. The workgroup's main activities include revising the RAR format to resolve implementation problems, revising and clarifying the prior period adjustment process, and standardizing the State submittal of utilization changes to labelers.

One area of the RAR workgroup discussions involved the adjustment and dispute codes, and the use of codes currently not contained on the RAR. In an effort to provide States with the most comprehensive explanation of adjustments and disputes, the workgroup is considering expanding the lists of these codes.

Please fax or mail a list of adjustment and dispute codes currently used by your company when remitting rebate payments. We would appreciate your lists by July 19. You may fax your lists to 410-966-0390, or mail them to:

Health Care Financing Administration
Drug Rebate Operations Branch
273 East High Rise Building
6325 Security Boulevard
Baltimore, Maryland 21207.

As part of its responsibility, the workgroup will review all codes submitted and create a revised list of both adjustment and dispute codes.

UPDATING CONTACT INFORMATION

When submitting contact changes to HCFA, please note that there is no longer a Financial contact. The three contacts are Legal, Invoice, and Technical. Attached is a copy of the revised form to be used and submitted to HCFA when making changes. We will then notify the States of these changes.

STATE CONTACT INFORMATION

Attached is the latest information concerning State contacts.

ADDRESS CORRECTION

In Release No. 16, dated May 16, 1995, we gave an incorrect address for those instances where a physical location is needed when shipping via express delivery services. Effective July 24, 1995 please use the following address **FOR EXPRESS DELIVERY SERVICE ONLY**:

Health Care Financing Administration
Medicaid Drug Rebate Program
Mail Stop C-4-16-03
7500 Security Boulevard
Baltimore, Maryland 21244

Regular drug rebate correspondence and pricing data should continue to be sent to Post Office Box 26686, Baltimore, Maryland 21207.

WEEKLY U.S. TREASURY BILL DISCOUNT RATES

Attached is the latest listing of the 90-day treasury bill auction rates from July 5, 1994 through July 3, 1995. These rates are to be used to calculate interest owed States on overdue rebates.

TOPIC INDEX

For your convenience, also attached is a topic index of all items covered in prior releases.

Please continue to contact us with your drug rebate questions by using the Drug Rebate hotline at (410) 966-3249.

Sally K. Richardson
Director
Medicaid Bureau

X Attachments

cc:

All Regional Administrators
All Associate Regional Administrators Division of Medicaid