DEPARTMENT OF HEALTH & HUMAN SERVICES

Health Care Financing Administration

Center for Medicaid and State Operations

February 20, 2001

MEDICAID DRUG REBATE PROGRAM RELEASE #49

For

Participating Drug Manufacturers

* * * IMPORTANT NOTICE * * *

DISPUTE RESOLUTION PROGRAM (DRP) NATIONAL MEETINGS

FY 2001 SCHEDULE

We are happy to announce the schedule for the National DRP meetings to be held during 2001. The meetings will be on May 7 - 11 and September 10 - 14 in Denver and coordinated through our National DRP Regional Coordinator, Diane Dunstan. They are a continuation of the highly successful meetings held in Denver since 1998. Attached is a form that MUST be completed and faxed to Diane by March 23 if you are planning or would like to plan to attend any or all of these meetings. We also recommend that you make hotel and flight arrangements now since space is limited.

Please fill out the form based on your needs for meeting states/labelers on a one-on-one basis. These meetings are open to ALL States and labelers. Those who have attended any of our previous National meetings know about the overwhelming enthusiastic support given to this effort by the Denver Regional Office (RO) leadership. Overall, the meetings have been very successful in resolving millions of dollars of disputed rebates. We are committed to continuing this effort.

However, due to limited time and travel resources, these two meetings will be the only National DRP meetings during 2001; thus, we strongly suggest that States and labelers plan on attending these meetings. The Denver meetings are where we concentrate our DRP efforts and where we provide experienced and effective HCFA support.

If you have any questions regarding the National DRP meetings in Denver, please contact Diane Dunstan at (303) 844-7040.

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TRANSFER OF DISPUTE RESOLUTION PROGRAM (DRP) FUNCTIONS

Effective January 22, 2001, organizational responsibility for the DRP within HCFA's Center for Medicaid and State Operations (CMSO) was transferred from the Family and Children's Health Programs Group (FCHPG) to the Policy Coordination and Planning Group (PCPG). The DRP is currently a stand-alone function within PCPG and no longer a function or responsibility of FCHPG.

With this transfer, Mike Keogh has accepted a reassignment to PCPG and retains the lead on all aspects of the DRP, now under PCPG management. Moreover, Vince Powell and Tami Bruce, who remain on the Drug Rebate Operations Team within CMSO, will continue to assist Mike in the DRP. Also, Diane Dunstan remains our lead Regional Office DRP coordinator and will work with Mike to enhance the DRP nationally in the future. We are confident that this new structure will be beneficial to the continued success of the DRP. Please continue to direct questions specifically regarding the DRP to Mike at (410) 786-5910.

The drug rebate policy functions, such as the review and approval of separate Medicaid drug rebate agreements, average manufacturer price and best price issues, interest policies, and the review and approval of manufacturer pricing recalculations remain the responsibilities of FCHPG. Therefore, please these policy questions and requests for information on these issues to the attention of Kim Howell at (410) 786-6762.

David McNally

Deputy Director

Finance, Systems and Quality Group

Attachment