

July 8, 2004

MEDICAID DRUG REBATE PROGRAM

RELEASE #65

For Participating Drug Manufacturers

PERSONNEL CHANGE FOR DRUG REBATE

Linda Sapperstein of the drug rebate operations staff retired as of April 2. Taking over Linda's responsibilities in the area of receiving and uploading labelers' diskettes and termination of labelers from the program is Karen Leshko. Karen's phone number is (410) 786-1291 and her e-mail address is kleshko@cms.hhs.gov. Revised pages O2 and O4 of the Operational Training Guide are attached. Please share this information with the necessary staff and replace these pages in your guide. Page O4 reflects the removal of two names from the policy staff. Page O2 also reflects the deletion of drug rebate Systems Maintenance staff which is now replaced with their MDRtech@cms.hhs.gov e-mail. This e-mail address was discussed in Release No. 60 dated August 15, 2003. Also attached is page O3 which has been revised to reflect a new mailstop for overnight/express mail delivery. That new mailstop is S3-18-03.

CHANGE TO T-BILL RATE HEADING

It has come to our attention that the U.S. Treasury has two T-bill rate headings on their website. Originally, there was one T-bill rate referred to as the Discount Investment Rate. There is now a Discount Rate and an Investment Rate. The drug rebate program uses the Investment Rate and therefore we are revising the heading on our T-bill rate attachment to reflect the appropriate title. Also, the 90-day rate is now a 91-day rate and we have reflected that change as well. **It is important to understand that the T-bill rates reported by CMS have not changed and no changes to past interest calculations are necessary.**

E-MAIL SUMMARY FOR BATCH EDIT REPORTS

In the near future (but not before 3Q2004 reporting), labelers will be automatically e-mailed a summary page of their batch edit reports (if applicable) which indicates how many data records were accepted/rejected/alerted. The actual edit reports will be mailed, as usual, within a few days of the e-mailed summary page. Please be advised that the summary page will be e-mailed only to those labelers who have provided their Technical Contact's e-mail address as requested in release no. 63, dated February 19, 2004. If you have not yet given us your Technical Contact's e-mail address, please do so by following the instructions in release no. 63.

**DISPUTE RESOLUTION PROGRAM (DRP) NATIONAL MEETING –
September 13 - 17, 2004**

We are pleased to announce that the next National DRP meeting will be held September 13-17, 2004 in Baltimore, Maryland. While this meeting is open to all states and manufacturers, we strongly encourage those with significant amounts in dispute to attend. As in the past, prior planning is absolutely imperative to the success of these meetings so we are requesting that you register PROMPTLY by completing the registration form on our web page at <http://www.cms.hhs.gov/medicaid/drugs/drp/drpmtgs.asp> and submitting it electronically. Whenever possible, priority scheduling will be afforded those who respond first. We will ensure that we provide adequate DRP staff to conduct the meetings based on your timely responses. Details of the meeting and hotel accommodations will be provided on our web page.

Feel free to contact any of the RO DRP Team members for any state specific DRP issues. Any non-state specific DRP questions or issues concerning the September meeting may be emailed to DRP@cms.hhs.gov.

A copy of the current listing of the 91-day Treasury bill auction rates beginning with the period November 18, 2002, is attached.

Please remember to direct your drug rebate questions to a staff member listed in section “O” of the Medicaid Drug Rebate Operational Training Guide.

/s/

Edward C. Gendron
Director
Finance, Systems and Budget Group

4 Attachments

cc:

All Regional Administrators

All Associate Regional Administrators, Division of Medicaid

WEEKLY U.S. T-BILL INVESTMENT RATE
 weekly 91-day treasury bill auction rates

| Date of Auction | Invest. Rate | Date of Auction | Invest. Rate | Date of Auction | Invest. Rate |
|------------------------|---------------------|------------------------|---------------------|------------------------|---------------------|
| 11-18-02 | 1.227 | 06-16-03 | 0.854 | 01-12-04 | 0.887 |
| 11-25-02 | 1.228 | 06-23-03 | 0.830 | 01-20-04 | 0.891 |
| 12-02-02 | 1.231 | 06-30-03 | 0.903 | 01-26-04 | 0.907 |
| 12-09-02 | 1.215 | 07-07-03 | 0.907 | 02-02-04 | 0.939 |
| 12-16-02 | 1.219 | 07-14-03 | 0.895 | 02-09-04 | 0.939 |
| 12-23-02 | 1.207 | 07-21-03 | 0.911 | 02-17-04 | 0.931 |
| 12-30-02 | 1.207 | 07-28-03 | 0.964 | 02-23-04 | 0.947 |
| 01-06-03 | 1.207 | 08-04-03 | 0.964 | 03-01-04 | 0.957 |
| 01-13-03 | 1.199 | 08-11-03 | 0.960 | 03-08-04 | 0.945 |
| 01-21-03 | 1.179 | 08-18-03 | 0.964 | 03-15-04 | 0.961 |
| 01-27-03 | 1.159 | 08-25-03 | 0.997 | 03-22-04 | 0.945 |
| 02-03-03 | 1.175 | 09-02-03 | 0.988 | 03-29-04 | 0.961 |
| 02-10-03 | 1.171 | 09-08-03 | 0.951 | 04-05-04 | 0.945 |
| 02-18-03 | 1.179 | 09-15-03 | 0.947 | 04-12-04 | 0.929 |
| 02-24-03 | 1.195 | 09-22-03 | 0.953 | 04-19-04 | 0.949 |
| 03-03-03 | 1.198 | 09-29-03 | 0.953 | 04-26-04 | 0.985 |
| 03-10-03 | 1.077 | 10-06-03 | 0.939 | 05-03-04 | 1.001 |
| 03-17-03 | 1.137 | 10-14-03 | 0.923 | 05-10-04 | 1.078 |
| 03-24-03 | 1.174 | 10-20-03 | 0.939 | 05-17-04 | 1.058 |
| 03-31-03 | 1.121 | 10-27-03 | 0.960 | 05-24-04 | 1.066 |
| 04-07-03 | 1.158 | 11-03-03 | 0.960 | 05-31-04 | 1.150 |
| 04-14-03 | 1.186 | 11-10-03 | 0.951 | 06-07-04 | 1.251 |
| 04-21-03 | 1.182 | 11-17-03 | 0.951 | 06-14-04 | 1.413 |
| 04-28-03 | 1.141 | 11-24-03 | 0.946 | 06-21-04 | 1.336 |
| 05-05-03 | 1.117 | 12-01-03 | 0.943 | 06-28-04 | 1.381 |
| 05-12-03 | 1.089 | 12-08-03 | 0.915 | 07-05-04 | 1.344 |
| 05-20-03 | 1.040 | 12-15-03 | 0.903 | | |
| 05-28-03 | 1.121 | 12-22-03 | 0.884 | | |
| 06-02-03 | 1.133 | 12-29-03 | 0.901 | | |
| 06-09-03 | 1.024 | 01-05-04 | 0.939 | | |