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

Center for Medicaid and CHIP Services

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MEDICAID DRUG REBATE PROGRAM NOTICE **Release No. 86**

For Participating Drug Manufacturers

REPORTING AVERAGE MANUFACTURER PRICE (AMP) UNITS

As discussed in the guidance released to the drug manufacturer technical contacts in January 2011, we are reiterating that, in accordance with section 1927(b)(3)(A) of the Social Security Act, manufacturers are required to report the total number of units that are used to calculate the monthly average manufacturer price (AMP) for each covered outpatient drug no later than 30 days after the last day of the month, beginning with the October 2010 reporting period. Manufacturers should report AMP Units in the Drug Data Reporting for Medicaid (DDR) system by the same unit type and units per package size they use to calculate the monthly AMP. AMP Units should be the total sum of units for all package sizes included in the calculation of the AMP, and should be reported for each product code, i.e., 9-digit NDC level, for the monthly reporting period covered. For those product codes that have multiple NDC-11s (package sizes), manufacturers should report the same total number of NDC-9 units for each of the NDC-11 package sizes.

Units associated with returns should not be included in the AMP Units calculation.

AMP Units should be entered in the DDR system as a number equal to or greater than zero. The DDR system will not accept a negative value for the AMP Units. In the event that there is a negative AMP Units value, we request that manufacturers enter a zero and not enter a previous month's AMP unit value. Manufacturers will receive an error message if they attempt to input a negative value in this field.

Questions regarding the reporting of AMP units can be submitted to the drug policy resource mailbox at RxDrugPolicy@cms.hhs.gov.

/s/
Barbara Edwards
Director
Disabled and Elderly Health Programs Group