

6325 Security Boulevard  
Baltimore, MD 21207

AUG 15 1991

**MEDICAID DRUG REBATE PROGRAM**

Release No. 14

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

NOTE TO: All State Medicaid Directors

**QUARTERLY UPDATE FILE**

Today, we are sending to your designated technical contact person a tape or tape cartridge containing our quarterly update file for the April-June 1991 quarter. The file includes data on nearly 41,000 National Drug Codes (NDCs). Updated pricing data for all NDCs was due from participating manufacturers by July 30. Our update tape includes a unit rebate amount (URA) for the April-June quarter for every NDC for which we received the updated pricing data by C.O.B. Wednesday, August 14. As in the past, we show zeroes in the URA field if we have not received the manufacturer's updated pricing data and, hence, cannot yet calculate a URA for the particular NDC.

**PRIOR PERIOD ADJUSTMENTS**

Beginning with the second quarter rebate data file being sent to you this month, we will be introducing the first of several system changes for Prior Period Adjustments (PPAs).

These PPAs will be generated for NDCs that had a change in the Average Manufacturer Price (AMP) and/or Best Price (BP) in a prior quarter (after that quarter's data was sent to you). There will be TWO records for each PPA. The first record will show a "2" in the correction flag field, and will contain the OLD unit rebate amount. The second record will show a "3" in the correction flag field, and will contain the NEW unit rebate amount.

You will be responsible for computing the difference between the two unit rebate amounts and for calculating the adjustment (+ or -) to be made. We suggest that the adjustment(s) be included in your next rebate invoice to each affected drug labeler.

The record format is unchanged except for the new values in the correction flag field. The adjustment records for unit rebate amount changes will always be sent in pairs. Also, there may be changes to baseline fields that were made after a quarterly data file was sent to you. Both adjustment records contain the baseline data as it appears now (e.g. DESI indicator, Units per Package Size, etc.). We intend to highlight the baseline field changes in a future system modification.


**REVISION TO MAGNETIC MEDIA SPECIFICATIONS**

Attached is a revision to the original magnetic media specification. Note that the only change is to the file name. We must change the file name to conform to new HCFA procedures governing the release of HCFA data to outside organizations.

**DRUG LABELERS ELIGIBLE TO PARTICIPATE ON OCTOBER 1**

Attached is a list with contact information for the new drug labelers that are eligible to participate effective October 1. Additionally, we are including changes to the contact information for Coats Aloe International (Labeler Code 58826) and a change to the technical contact for Catalina Biomedical Corporation (Labeler Code 51459).

Please continue to refer your questions to us by using the Drug Rebate Hotline number at (301) 966-3249.

  
for Christine Nye  
Director  
Medicaid Bureau

2 Attachments

cc:  
All State Technical Contacts  
All Regional Administrators  
All Associate Regional Administrators for Medicaid

ATTACHMENT

MAGNETIC MEDIA CHARACTERISTICS

FOR

TRANSMISSION

OF DRUG REBATE DATA

FROM HCFA TO STATES

ROUND TAPE REEL & 3480 CARTRIDGE:

- o File Name: FOREIGN.XXXX.DRqyy.xx  
where XXXX = TAPE for Round Tape  
XXXX = CART for Cartridge  
q = Quarter (1 - 4)  
yy = Year  
xx = State abbreviation
- o Characteristics: TAPE - IBM MVS/OS Standard Label  
6250 BPI, EBCDIC, ODD PARITY  
  
3480 Cartridge - IBM MVS/OS  
Standard label, 18 Track
- o Record Profile: 80 Characters, Fixed Block, 9,040  
characters per block (i.e., 113  
records per block)
- o Physical Sequential: Not keyed
- o Volume Estimates: 40,000 NDCs, 1 NDC per 80  
character record

These specifications replace the ones previously issued to you. The File Name has been changed to conform to HCFA's Data Release Policy Guide that formalizes procedures for the release of HCFA data to outside organizations.

(Revised 08/91)

COATS ALOE INTERNATIONAL, INC.

Labeler Code 58826

Change the technical contact to: Ms. Michelle St. John

The address and telephone number remain the same.

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CATALINA BIOMEDICAL CORPORATION

Labeler Code 51459

Change all 3 contacts to:

Bob C. England, R.Ph.  
5823 Kissing Oak  
San Antonio, TX 78247  
Telephone: (512) 653-0179

Addendum to Release #14

**IMPORTANT NOTICE**

In the event you or your staff should identify what you consider to be errors in the manufacturers' data that HCFA is providing with this (or subsequent) mailings, please **DO NOT MAKE SUCH CORRECTIONS UNILATERALLY.**

Instead, please notify us at HCFA via the Hotline (301 966-3249) of such errors and we will work with the manufacturers to resolve the problem.

**ATTACHED FOR YOUR INFORMATION IS OUR AUGUST 9 LETTER TO ALL PARTICIPATING MANUFACTURERS. NOTE THAT WE DISCUSS IN THIS LETTER HOW MANUFACTURERS' DATA CORRECTIONS SHOULD BE HANDLED.**