

6325 Security Boulevard
Baltimore, MD 21207

MAR 30 1994

MEDICAID DRUG REBATE PROGRAM

Release Number 39

* * * IMMEDIATE ATTENTION REQUIRED * * *

NOTE TO: All State Medicaid Directors

RESCISSION OF TERMINATION ACTION FOR NOVOPHARM USA, INCORPORATED
(LABELER CODE 55953)

In our Release Number 35, dated February 8th, we notified you of the termination of Novopharm USA, Incorporated effective April 1, 1994. At a hearing held in Baltimore on Tuesday, March 29th, it was determined that this drug labeler has now submitted all missing pricing data and has re-structured its internal processes to ensure that pricing data are submitted timely and in the correct format. Therefore, we have decided to rescind our earlier termination of this labeler. We regret any problems that this decision may cause States, but we ask that you notify your pharmacy communities of this decision as soon as possible.

This was the first hearing ever held regarding the termination of a drug labeler from the rebate program. As a result of our experience, we have revised our hearing procedures. In the future, a manufacturer will be given an opportunity to have a hearing prior to the effective date of the termination. While we recognize that the statute provides that a hearing shall not delay the effective date of any termination, we have provided additional lead time to give manufacturers an opportunity to file and conduct their appeals before any termination action. We expect that this additional time will permit us to conduct a hearing and give States adequate notification regarding any final termination.

TERMINATION OF LABELER CODE 54523

As mentioned in our release number 35, the termination of Lyphomed/Novopharm Pharmaceuticals (Labeler Code 54523) is effective on April 1. This labeler code has been relinquished to the Food and Drug Administration for re-issue to another drug labeler. All NDCs for labeler code 54523 show a termination date of June 30, 1991.

A review of State utilization data shows many States invoicing for this labeler code as late as the 3/93 calendar quarter. Novopharm personnel have been requested by HCFA to cease paying invoices later than the 2/92 quarter for labeler code 54523 .

WEEKLY U.S. TREASURY BILL DISCOUNT RATES

Included with this release is the latest listing of the 90-day treasury bill auction rates for the period January 1, 1991 through March 28, 1994.

OTHER ATTACHMENTS

Copies of the topic index and the latest State Tape Status Report are attached.

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

Sally K. Richardson
for Sally K. Richardson
Director
Medicaid Bureau

3 Attachments

CC:

All State Technical Contacts

All Regional Administrators

All Associate Regional Administrators Division of Medicaid

WEEKLY U.S. T-BILL DISCOUNT RATE

The latest weekly 90-day treasury bill auction rates beginning with January 7, 1991 are as follows:

DATE OF AUCTION	TRUE DISCOUNT RATE
01/07/91	6.721
01/14/91	6.300
01/22/91	6.323
01/28/91	6.406
02/07/91	6.145
02/11/91	6.030
02/19/91	6.112
02/25/91	6.187
03/04/91	6.287
03/11/91	6.038
03/18/91	6.017
03/25/91	6.046
04/01/91	5.985
04/08/91	5.777
04/15/91	5.744
04/22/91	5.868
04/29/91	5.777
05/06/91	5.669
05/13/91	5.669
05/20/91	5.669
05/28/91	5.628
06/03/91	5.765
06/10/91	5.777
06/17/91	5.785
06/24/91	5.752
07/01/91	5.762
07/08/91	5.752
07/15/91	5.731
07/22/91	5.777
07/29/91	5.752
08/05/91	5.682
08/12/91	5.463
08/19/91	5.326
08/26/91	5.567
09/03/91	5.504
09/09/91	5.450
09/16/91	5.347
09/23/91	5.335
09/30/91	5.264
10/07/91	5.190
10/15/91	5.137

DATE OF AUCTION	TRUE DISCOUNT RATE
10/21/91	5.190
10/28/91	5.137
11/04/91	4.877
11/12/91	4.774
11/18/91	4.712
11/25/91	4.565
12/02/91	4.515
12/09/91	4.325
12/16/91	4.252
12/23/91	3.849
12/30/91	4.013
01/06/92	3.952
01/13/92	3.931
01/21/92	3.878
01/27/92	3.944
02/03/92	3.964
02/10/92	3.817
02/18/92	3.931
02/24/92	4.067
03/02/92	4.117
03/09/92	4.117
03/16/92	4.191
03/23/92	4.178
03/30/92	4.178
04/06/92	4.043
04/13/92	3.684
04/20/92	3.778
04/27/92	3.798
05/04/92	3.737
05/11/92	3.724
05/18/92	3.696
05/26/92	3.839
06/01/92	3.839
06/08/92	3.798
06/15/92	3.745
06/22/92	3.757
06/29/92	3.671
07/06/92	3.300
07/13/92	3.292
07/20/92	3.231
07/27/92	3.251
08/03/92	3.271
08/10/92	3.198
08/17/92	3.170
08/24/92	3.208
08/31/92	3.239
09/08/92	2.974

DATE OF AUCTION	TRUE DISCOUNT RATE
09/14/92	2.954
09/21/92	2.974
09/28/92	2.787
10/05/92	2.726
10/13/92	2.941
10/19/92	3.003
10/26/92	3.035
11/02/92	3.117
11/09/92	3.170
11/16/92	3.198
11/23/92	3.341
11/30/92	3.386
12/07/92	3.365
12/14/92	3.333
12/21/92	3.231
12/28/92	3.292
01/04/93	3.218
01/11/93	3.137
01/19/93	3.096
01/25/93	3.043
02/01/93	3.035
02/08/93	3.003
02/16/93	2.994
02/22/93	3.023
03/01/93	3.035
03/08/93	3.043
03/15/93	3.064
03/22/93	3.003
03/29/93	3.023
04/07/93	2.982
04/12/93	2.954
04/19/93	2.880
04/26/93	2.941
05/03/93	2.941
05/10/93	2.954
05/17/93	3.064
05/24/93	3.125
06/01/93	3.149
06/07/93	3.210
06/14/93	3.137
06/21/93	3.170
06/28/93	3.117
07/06/93	3.076
07/12/93	3.104
07/19/93	3.117
07/26/93	3.170
08/02/93	3.170

DATE OF AUCTION	TRUE DISCOUNT RATE
08/09/93	3.115
08/16/93	3.096
08/23/93	3.087
08/30/93	3.084
09/07/93	3.015
09/13/93	3.043
09/20/93	2.994
09/27/93	2.962
10/04/93	3.023
10/12/93	3.104
10/18/93	3.125
10/25/93	3.149
11/01/93	3.178
11/08/93	3.176
11/15/93	3.178
11/22/93	3.209
11/29/93	3.190
12/06/93	3.178
12/13/93	3.125
12/20/93	3.125
12/27/93	3.125
01/03/94	3.170
01/10/94	3.084
01/18/94	3.055
01/24/94	3.023
01/31/94	3.055
02/07/94	3.312
02/14/94	3.353
02/22/94	3.406
02/28/94	3.475
03/07/94	3.602
03/14/94	3.651
03/21/94	3.696
03/28/94	3.581

STATE TAPES STATUS REPORT

3/30/94

STATE	1/91	2/91	3/91	4/91	1/92	2/92	3/92	4/92	1/93	2/93	3/93	4/93	ALL QTRS
AK	X	X	X	X	X	X	X	X	X	X	X	X*	X
AL	X	X	X	X	X	X	X	X	X	X	X	X*	X
AR	X	X	X	X	X	X	X	X	X	X	X		
CA	X	X	X	X	X	X	X	X	X		X	X*	
CO	X	X	X	X	X	X	X	X	X	X	X	X*	X
CT	X	X	X	X	X	X	X	X	X	X			
DC	X	X	X	X	X	X	X	X	X	X		X*	
DE	X	X	X	X	X	X	X	X	X	X	X		
FL	X	X	X	X	X	X	X	X	X	X	X		
GA	X	X	X	X	X	X	X	X	X	X	X	X*	
HI	X	X	X	X	X	X	X	X	X	X	X	X*	
IA	X	X	X	X	X	X	X	X	X	X	X*	X*	X
ID	X	X	X	X	X	X	X	X	X	X	X	X*	
IL	U	X	X	X	X	X	X	X	X*	X*	X*		X
IN	X	X	X	X	X	X	X	X	X	X	X*	X*	
KS	X	X	X	R	X	X	X	X	X	X			
KY	X	X	X	X	X	X	X	X	X	X	X	X*	X
LA	X	X	X	X	X	X	X	X	X	X	X		
MA	X	X	X	X	X	X	X	X	X	X	X		
MD	X	X		X	X	X	X	X	X	X			
ME	X	X	X	X	X	X	X	X	X	X	X	X*	X
MI	X	X	X	X	X	X	X	X	X	X	X		
MN	X	X	X	X	X	X	X	X	X	X	X	X*	X
MO	X	X	X	X	X	X	X	X	X	X	X	X*	X
MS	U	X	X	X	X	X	X	X	X	X	X		
MT	X	X	X	X	X	X	X	X	X	X	X		
NC	X	X	X	X	X	X	X	X	X	X	X		
ND	X	X	X	X	X	X	X	X	X	X	X	X*	X
NE	X	X	X	X	X	X	X	X	X	X	X		
NH	X	X	X	X	X	X	X	X	X	X	X		
NJ	X	X	X	X	X	X	X	X	X	X	X*		
NM	U	U	X	X	X	X	X	X	X		X		
NV	R	X	X	X	X	X	X	X	X	X			
NY	X	X	X	X	X	X	X	X	X	R	R		
OH	X	X	X	X	X	X	X	X	X	X	X	X*	X
OK	X	X	X	X	X	X	X	X	X	X	X		
OR	X	X	X	X	X	X	X	X	X	X	X		
PA	X	X	X	X	X	X	X	X	X	X	X		
RI	X	X	X	X	X	X	X	X	X	X	X		
SC	X	X	X	X	X	X	X	X	X	X	X		
SD	X	X	X	X	X	X	X	X	X	X	X	X*	X
TN	X	X	X	X	X	X	X	X	X				

STATE	1/91	2/91	3/91	4/91	1/92	2/92	3/92	4/92	1/93	2/93	3/93	4/93	ALL QTRS
TX	X	X	X	X		X	X	X	X	X			
UT	R	X	X	X	X	X	X	X	X	X	X*	X*	
VA	X	X	X	X	X	X	X	X	X	X	X		
VT	X	X	X	X	X	X	X	X	X	X*	X		
WA	X	X	X	X	X	X	X	X	X	X	X		
WI	X	X	X	X	X	X	X	X	X	X	X*	X*	X
WV	X	X	X	X	X	X	X	X	X	X			
WY	X	X	X	X	X	X	X	X	X	X	X*		
TOTAL	47-45	49-49	49-49	50-49	49-49	50-50	50-50	50-50	50-50	47-46	42-41	19-19	13

* - Tapes received since last (3/1/94) Report.

X - Files processed; good data.

R - Files rejected and must be corrected.

U - State is unable to generate and submit tapes for this Quarter.

Second Total amount shown indicates number of usable tapes received.