

MEDICAID DRUG REBATE PROGRAM

Release Number 59

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

DISPUTE SETTLEMENTS

It has come to our attention through Dispute Resolution Pilot meetings in Region I, and through contacts with other States, that some manufacturers are enclosing letters with rebate dispute payments. These letters ask States to sign a statement that the State agrees that the payment represents full settlement of the specific dispute, or a statement to that effect.

Be aware that, in some situations, the settlement amount may be acceptable to the State based on agreement with the manufacturer. However, the manufacturer may have failed to pay interest due on the previously-disputed amounts or, in some cases, failed to even mention interest. Before signing any such statement, please make sure that interest is paid, or that the manufacturer modifies the statement to clearly indicate that interest will be paid upon acceptance of the payment.

If you have any questions on this or other dispute-related questions, please contact your Regional Drug Rebate Coordinator, or Mike Keogh of my staff on (410) 786-5910.

REINSTATEMENT OF FLEMMING PHARMACEUTICALS, INCORPORATED (LABELER CODE 60976)

Flemming Pharmaceuticals was sent a warning letter on January 24, 1996, to submit their missing drug prices within 30 days or face termination effective April 1, 1996. No drug prices were received from this labeler, so termination proceedings were initiated.

It now appears that this labeler may not have received the warning letter. Therefore, we must, in fairness, reinstate Flemming Pharmaceuticals, Incorporated (Labeler Code 60976) to good standing and cancel the announced termination action.

We have also been notified by the manufacturer's legal counsel that this labeler has changed its name to Faro Pharmaceuticals, Incorporated. We regret any inconvenience this causes to State Medicaid agencies.

NEW LABELERS

The following labelers have entered into drug rebate agreements and will join the rebate program on July 1, 1996:

Lilly Ranbaxy Pharmaceuticals, L.L.C. (Labeler Code 62063),  
and

Komax Pharmaceuticals, Incorporated (Labeler Code 62431).

OTHER ATTACHMENTS

Copies of the topic index and the latest listing of the 90-day treasury bill auction rates for the period of June 5, 1995 through March 25, 1996 are attached.

Please remember to direct your drug rebate questions to a staff member on the listing we provided with release number 53.

Sally K. Richardson  
Director  
Medicaid Bureau

2 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 for June 5, 1995 through March 25, 1996 are:

DATE OF AUCTION	TRUE DISCOUNT RATE
06/05/95	5.649
06/12/95	5.744
06/19/95	5.628
06/26/95	5.512
07/03/95	5.702
07/10/95	5.566
07/17/95	5.628
07/24/95	5.640
07/31/95	5.607
08/07/95	5.578
08/14/95	5.587
08/21/95	5.600
08/28/95	5.504
09/05/95	5.463
09/12/95	5.504
09/19/95	5.409
09/25/95	5.293
10/02/95	5.504
10/10/95	5.471
10/16/95	5.483
10/23/95	5.376
10/30/95	5.450
11/06/95	5.525
11/13/95	5.599
11/20/95	5.503
11/27/95	5.438
12/04/95	5.450
12/11/95	5.463
12/18/95	5.306
12/26/95	5.054
01/02/96	5.190
01/09/96	5.178
01/16/96	5.170
01/22/96	5.137
01/29/96	5.157
02/05/96	5.025
02/12/96	4.939
02/20/96	4.918
02/26/96	4.987
03/04/96	5.020
03/11/96	5.081
03/18/96	5.155
03/25/96	5.123

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