

December 9, 1997

## **MEDICAID DRUG REBATE PROGRAM**

**Release Number 72**

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

**NOTE TO: All State Medicaid Directors**

### **DRUG LABELERS**

#### **Termination of Halsey Drug Company, Incorporated (Labeler Code 00879)**

As the result of a hearing decision, the drug rebate agreement with the Halsey Drug Company, Incorporated (Labeler Code 00879) is being terminated effective January 1, 1998. States are asked to implement this change no later than January 9, 1998.

#### **New Drug Labeler**

The following labeler has entered into a drug rebate agreement with an effective date of participation in the rebate program of April 1, 1998:

Hyperion Medical, Inc. (Labeler Code 54002).

### **UTILIZATION CORRECTION RECORDS**

There seems to be some confusion over when and when not to include correction records on your quarterly utilization summary file submission to HCFA. This is the file you send that contains one record for each NDC record you submit to every labeler on your quarterly invoices. That record is to contain the summarized utilization for each NDC plus additional fields such as the **total reimbursement amount, number of prescriptions**, the current qtr/yr and a "0" in the correction flag field.

When you make a utilization correction on an invoice (called a utilization adjustment) for a prior quarter, you are supposed to include a correction record (correction flag = "1") for the affected quarter (**NOT** current quarter) with the **total units reimbursed** field containing **THE CORRECTED AMOUNT** (direct **OVERLAY**), not **ADJUSTED AMOUNT**. This is a mandatory update. We also request that you send a correction record when you adjust the **number of prescriptions** or **total reimbursement amount** fields. Again, these would be direct overlays, not adjusted amounts. In any case, the qtr/yr field reflects the quarter and year the change is for and the correction flag is set to "1." In all other cases, current qtr/yr is to be in all records and the correction field is to contain a "0." Please direct all questions regarding this issue to Vince Powell on (410) 786-3314.

**NEW RECORD SPECIFICATIONS FOR STATE MEDICAID AGENCIES**

Enclosed are new record specifications that expand all date fields to allow for a four position year made necessary by the coming millennium. The new utilization record layout will be required for all data submitted to HCFA on January 1, 1999 or later. The change to the rebate tape file produced by HCFA will be effective with the rebates for the fourth quarter of calendar year 1998 which will be generated on or about February 15, 1999. States are directed to review the utilization reporting instructions located on pages F20 - F25 of the Medicaid Drug Rebate Operational Training Guide to ensure that proper naming conventions for utilization tapes and cartridges are used.

**OTHER ATTACHMENTS**

Copies of the topic index and a listing of the 90-day treasury bill auction rates for the period of September 15, 1997 through December 8, 1997 are 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 or in State release #53.

/s/

Sally K. Richardson  
Director  
Center for Medicaid and State Operations

5 Attachments

cc:

All State Technical Contacts

All Regional Administrators

All Associate Regional Administrators, Division of Medicaid

**HCFA RECORD SPECIFICATION  
MEDICAID DRUG REBATE DATA  
REBATE TAPE RECORD FORMAT**

Source: HCFA

Target: State Agencies

Field	Size	Position	Remarks
Record ID	4	1 - 4	Constant of "01@@"
Labeler Code	5	5 - 9	NDC #1
Product Code	4	10 - 13	NDC #2
Package Size Code	2	14 - 15	NDC #3
Period Covered	5	16 - 20	QYYYY
Prd. FDA Reg. Name	10	21 - 30	See Data Element Definitions
Drug Category	1	31 - 31	See Data Element Definitions
DESI Indicator	1	32 - 32	See Data Element Definitions
FDA Thera. EQ. CD.	2	33 - 34	See Data Element Definitions
Unit Type	3	35 - 37	See Data Element Definitions
Units Per Pkg Size	10	38 - 47	9999999V999
Rebate Amt. Per Unit	11	48 - 58	99999V999999
FDA Approval Date	8	59 - 66	MMDDYYYY
Date Entered Market	8	67 - 74	MMDDYYYY
Termination Date	8	75 - 82	MMDDYYYY
Drug Type Indicator	1	83 - 83	See Data Element Definitions
Correction Flag	1	84 - 84	See Data Element Definitions
Filler	1	85 - 85	

**HCFA RECORD SPECIFICATION  
LABELER CONTACT FILE  
RECORD FORMAT**

Source: HCFA  
Target: State Agencies

Field	Size	Position	Remarks
Labeler Code	5	1 - 5	NDC #1
Labeler Name	39	6 - 44	Manufacturer Name
Effective Date	8	45 - 52	MMDDYYYY
Termination Date	8	53 - 60	MMDDYYYY
Legal Contact Name	39	61 - 99	Name of Legal Contact
Legal Corporation	39	100 - 138	Corporation Name
Legal Address #1	39	139 - 177	Legal Address Line 1
Legal Address #2	39	178 - 216	Legal Address Line 2
Legal Address #3	39	217 - 255	Legal Address Line 3
Legal City	27	256 - 282	
Legal State	2	283 - 284	
Legal Zip	9	285 - 293	X(9)
Legal Phone	14	294 - 307	X(14) Area Code, Number, Extension
Invoice Contact	39	308 - 346	Name of Invoice Contact
Invoice Corp.	39	347 - 385	Corporation Name
Invoice Address 1	39	386 - 424	Invoice Address Line 1
Invoice Address 2	39	425 - 463	Invoice Address Line 2
Invoice Address 3	39	464 - 502	Invoice Address Line 3
Invoice City	27	503 - 529	
Invoice State	2	530 - 531	
Invoice Zip	9	532 - 540	X(9)
Invoice Phone	14	541 - 554	X(14) Area Code, Number, Extension
Technical Name	39	555 - 593	Name of Technical Contact
Technical Corp.	39	594 - 632	Corporation Name
Technical Address 1	39	633 - 671	Technical Address Line 1
Technical Address 2	39	672 - 710	Technical Address Line 2
Technical Address 3	39	711 - 749	Technical Address Line 3
Technical City	27	750 - 776	
Technical State	2	777 - 778	
Technical Zip	9	779 - 787	X(9)
Technical Phone	14	788 - 801	X(14)
Active Indicator	1	802 - 802	0=Old, 1=Currently Active
Carriage Return	1	803 - 803	
Line Feed	1	804 - 804	

\*Logical Record Length = 804

\*Labeler Contact file is second physical file on rebate tape.

**HCFA RECORD SPECIFICATION  
 MEDICAID DRUG REBATE DATA  
 UTILIZATION RECORD FORMAT**

Source: State Agencies

Target: HCFA & Manufacturers

Field	Size	Position	Remarks
Record ID	4	1 - 4	Constant of "01**"
State Code	2	5 - 6	P.O. Abbreviation
Labeler Code	5	7 - 11	NDC #1
Product Code	4	12 - 15	NDC #2
Package Size Code	2	16 - 17	NDC #3
Period Covered	5	18 - 22	QYYYY
Prd. FDA Reg. Name	10	23 - 32	See Data Element Definitions
Rebate Amt. Per Unit	11	33 - 43	99999V999999
Total Units Reimbursed	12	44 - 55	999999999V999
Total Rebate Amt. Claimed	9	56 - 64	9999999V99
No. of Prescriptions	6	65 - 70	999999
Total Reimbursement Amt.	10	71 - 80	999999999V99
Correction Flag	1	81 - 81	See Data Element Definitions
Filler	1	82 - 82	