

August 13, 2004

MEDICAID DRUG REBATE PROGRAM

RELEASE #133

For State Medicaid Directors

INCORRECT DESI INDICATOR--PLEASE CORRECT IMMEDIATELY

Subsequent to the mailing of the quarter 2/2004 URA file, we were alerted to the fact that there is a labeler, American Health Packaging, labeler 62584, repackaging Epidrin. They have incorrectly reported it to us as a non-DESI (DESI Code = 2) product. It should have been correctly reported as a DESI (DESI Code = 5) product. The NDC is **62584-0139-00, -01 and -18** (3 package sizes). Please make this correction to your MDR file immediately. The DESI indicator of "5" will be shown on these NDCs in the next URA file for quarter 3/2004 (sometime in mid-November, 2004).

DELETION OF NON-DRUG PRODUCTS

Attached is a list of non-drug products for several labelers. These products will be deleted from the MDRI file effective October 1, 2004. Since these products are not rebateable under the drug rebate program, they should be deleted from your state files beginning with 4Q2004.

UPDATED PAGES FOR THE OPERATIONAL TRAINING GUIDE

Attached is revised Page O3 of the Operational Training Guide to reflect a change to the mailstop for overnight/express mail delivery. The new mailstop is S3-18-03. Also, attached is a revised Page O2 to correct the drug rebate website and add a new policy staff member. Please replace these pages in your guide.

MAILING STATE QUARTERLY URA FILES

We have had several inquiries from states requesting that their quarterly URA file be sent to them through other than “regular” USPS mail. The physical files are generated by the computer facility staff with specific instructions on generating mailing labels, packaging the files and having them sealed and delivered to the CMS central mailroom for USPS pickup.

To pull one or two specific state packages from the mix and have special handling done would cause a delay in all other states getting their files in the most timely manner possible. Additional handling of these packages could also result in erroneous mailings. Therefore, requests for special handling (overnight delivery, using a service other than USPS, etc.) cannot be honored.

NEW LABELERS

<u>Labeler Name/Labeler Code</u>	<u>Mandatory Coverage Date</u>	<u>Optional Coverage Date</u>
Presutti Laboratories, Inc. (Labeler Code 66378)	10/01/2004	07/13/2004
Alliant Pharmaceuticals (Labeler Code 68188)	10/01/2004	06/04/2004
JSJ Pharmaceuticals (Labeler Code 68712)	10/01/2004	07/14/2004
Eyetechn Pharmaceuticals, Inc. (Labeler Code 68782)	10/01/2004	07/29/2004

REINSTATED LABELER

Neil Laboratories, Inc., labeler code 60242, has signed a new rebate agreement and was reinstated in the drug rebate program effective July 1, 2004.

Contact information for new/reinstated labelers is attached for your convenience.

TERMINATED LABELERS

The following labeler codes are being terminated effective October 1, 2004:

BD Becton Dickinson (Labeler Code 08290);
Excelsior Medical Corp. (Labeler Code 63807); and
D&K Healthcare Resources (Labeler Code 65759).

A copy of the current listing of the 91-day treasury bill auction rates beginning with the period June 16, 2003, is 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.

/s/

Edward C. Gendron
Director
Finance, Systems and Budget Group

4 Attachments

cc:
All State Drug Rebate Technical Contacts
All Regional Administrators

PRODUCT DELETION LIST – EFFECTIVE OCTOBER 1, 2004

Hillestad Pharmaceuticals, labeler code 10542, product codes:

0015	0055	0070
0075	0080	0190

Unico Holdings, labeler code 59640, product codes:

0001	0006	0007
------	------	------

Abbott Labs, labeler code 00074, product codes:

6470	6471
------	------

CMS DRUG REBATE PROGRAM

Area Code 410



OPERATIONS

Tamara Bruce	786-1519
Chris Holmes	786-3328
Karen Leshko	786-1291
Vince Powell (Technical Director)	786-3314
Sue Williams	786-3334

POLICY

Christie Cahee	786-6614
Claire Hardwick	786-6777
Chris Hinds	786-4578
Kim Howell	786-6762
Christina Lyon	786-3332
Cindy Pelter	786-1176
Katuscia Potier	786-1947
Marge Watchorn	786-4361
Larry Reed/Deirdre Duzor (Co-Directors)	786-3325/786-4626

SYSTEM MAINTENANCE

E-mail inquiries to: MDRtech@cms.hhs.gov

DISPUTE RESOLUTION PROGRAM

Sue Gaston	786-6918
Tamara Bruce	786-1519
Diane Dunstan	303-844-7040



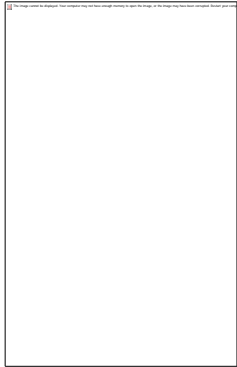
FAX

786-0390 – Operations/Systems
786-8534 - Policy

WEBSITE

www.cms.hhs.gov/medicaid/drugs/drughmpg.asp

CMS MEDICAID DRUG REBATE MAILING ADDRESSES

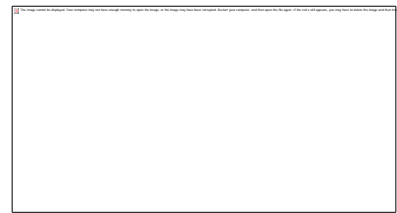


Regular Mail →
CMS, CMSO

Drug Rebate
Program

P.O. Box
26686

Baltimore,
Maryland
21207



**xpress
Mail** →
C
MS,
CMSO

Drug Rebate Program

Mail Stop S3-18-03
7500 Security Boulevard
Baltimore, Maryland 21244

NOTE: PLEASE DO NOT USE the express mail address to send general correspondence to CMS. The use of this mail stop for general correspondence will delay its delivery to the appropriate individual.

WEEKLY U.S. T-BILL INVESTMENT RATE
weekly 91-day treasury bill auction rates

Date of Auction	Invest. Rate	Date of Auction	Invest. Rate	Date of Auction	Invest. Rate
06-16-03	0.854	01-12-04	0.887	08-09-04	1.497
06-23-03	0.830	01-20-04	0.891		
06-30-03	0.903	01-26-04	0.907		
07-07-03	0.907	02-02-04	0.939		
07-14-03	0.895	02-09-04	0.939		
07-21-03	0.911	02-17-04	0.931		
07-28-03	0.964	02-23-04	0.947		
08-04-03	0.964	03-01-04	0.957		
08-11-03	0.960	03-08-04	0.945		
08-18-03	0.964	03-15-04	0.961		
08-25-03	0.997	03-22-04	0.945		
09-02-03	0.988	03-29-04	0.961		
09-08-03	0.951	04-05-04	0.945		
09-15-03	0.947	04-12-04	0.929		
09-22-03	0.953	04-19-04	0.949		
09-29-03	0.953	04-26-04	0.985		
10-06-03	0.939	05-03-04	1.001		
10-14-03	0.923	05-10-04	1.078		
10-20-03	0.939	05-17-04	1.058		
10-27-03	0.960	05-24-04	1.066		
11-03-03	0.960	05-31-04	1.150		
11-10-03	0.951	06-07-04	1.251		
11-17-03	0.951	06-14-04	1.413		
11-24-03	0.946	06-21-04	1.336		
12-01-03	0.943	06-28-04	1.381		

12-08-03	0.915
12-15-03	0.903
12-22-03	0.884
12-29-03	0.901
01-05-04	0.939

07-05-04	1.344		
07-12-04	1.336		
07-19-04	1.352		
07-26-04	1.449		
08-02-04	1.490		

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