

State/Territory: _____

IOWA

elements of the SMAC, or otherwise direct the SMAC program is in accordance with applicable State and Federal law.

- (4) Submitted charge, representing the provider's usual and customary charge for the drug.
- b. Subject to prior authorization requirements, if a physician certifies in the physician's handwriting that, in the physician's medical judgement, a specific brand is medically necessary for a particular recipient, the MAC or SMAC does not apply and the payment equals the lesser of EAC or submitted charges. If a physician does not so certify, the payment for the product will be the lower of MAC or SMAC.
- c. No payment shall be made for sales tax.
- d. All hospitals which wish to administer vaccines which are available through the vaccines for children program to Medicaid recipients shall enroll in the vaccines for children program. In lieu of payment, vaccines available through the vaccines for children program shall be accessed from the department of public health for Medicaid recipients. Hospitals receive reimbursement for the administration of vaccines to Medicaid recipients through the DRG reimbursement for inpatients and APG reimbursement for outpatients.
- e. The basis of payment for nonprescription drugs shall be the same as specified in paragraph "a" except that the department shall establish a maximum allowable reimbursable cost for these drugs using the average wholesale prices of the chemically equivalent products available. The department shall set the maximum allowable reimbursable cost at the median of those average wholesale prices. No exceptions for higher reimbursement will be approved.
- f. An additional reimbursement amount of one cent per dose shall be added to the allowable ingredient cost of a prescription for an oral solid if the drug is dispensed to a patient in a nursing home in unit dose packaging prepared by a pharmacist.
- g. For services rendered on or after July 1, 2010, the professional dispensing fee is equal to \$4.34.
- h. For purposes of prescription drug reimbursement, equivalent products are those that meet therapeutic equivalent standards as published in the federal Food and Drug Administration document, "Approved Prescription Drug Products With Therapeutic Equivalence Evaluations."
- i. Pharmacies and providers that are enrolled in the Iowa Medicaid program are required to make available and submit to the department or its designee, drug acquisition cost information, product availability information, or other information deemed necessary by the department for the determination of reimbursement rates and the efficient operation of the pharmacy benefit.

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