

Medicaid Covered Outpatient Prescription Drug Reimbursement Information by State

Quarter Ending September 2016

340B=prices charged to covered entities under the Public Health Services Act, AAC=actual acquisition cost, ASP=average sale price, AWP=average wholesale price, DP=Direct Price, FFS=fee for service, FUL=Federal upper limit, NADAC= National Averged Drug Acquisition Cost, State MAC=State Maximum Allowance Cost, U/C=Usual and Customary, WAC=wholesaler acquisition cost
FQHC=Federally Qualified Health Centers, NH=nursing home
*CMS Approved State Plans or State Source
Revised – 09/30/16

Copayment information has been deleted from this reimbursement chart. You can locate general copayment information at <http://medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Cost-Sharing/Cost-Sharing.html>.

STATE	INGREDIENT COST	DISPENSING FEE	STATE MAC
State of Alabama	Ingredient cost is AAC or if not available WAC, or U/C; ASP +6% (blood clotting factors)	Dispensing fee is \$10.64	STATE MAC Yes
State of Alaska	Ingredient cost is NADAC or if not available WAC plus 1%	Dispensing fee is \$13.36 (pharmacy located on the road system); \$16.58 (mediset pharmacy); \$21.28 (pharmacy not located on the road system); \$10.76 (out-of-state pharmacy)	STATE MAC Yes
State of Arizona	Ingredient cost is AWP minus 15%; FQHCs and FQHC Look-alikes at the lesser of billed charges or the 340B ceiling price	Dispensing fee is \$2.00 (FFS only); \$8.75 (FQHCs and FQHC Look-alikes)	STATE MAC No
State of Arkansas	Ingredient cost is AWP minus 20% (generic); AWP minus 14% (brand)	Dispensing fee is \$5.51	STATE MAC Yes
State of California	Ingredient cost is AWP minus 17%; ASP plus 6% (physician administered drugs)	Dispensing fee is \$7.25; \$8.00 (legend drugs dispensed to residents in skilled nursing facilities or intermediate care facilities)	STATE MAC Yes

STATE	INGREDIENT COST	DISPENSING FEE	STATE MAC
State of Colorado	<p>Ingredient cost for all drugs for retail pharmacies, 340B pharmacies, institutional pharmacies, government pharmacies, and mail order pharmacies shall be based upon the lower of:</p> <ol style="list-style-type: none"> 1. The usual and customary charge to the public minus the client's copayment; or 2. The allowed ingredient cost, <p>The allowed ingredient cost is the lesser of AAC or submitted ingredient cost. If AAC is not available the allowed ingredient cost is the lesser of WAC or the submitted drug ingredient cost.</p> <p>Submitted Ingredient Cost means a pharmacy's calculated ingredient cost. For drugs purchased through the 340B Drug Pricing Program, the submitted ingredient cost means the 340B purchase price.</p> <p>Ingredient cost for designated rural pharmacies:</p> <ul style="list-style-type: none"> • The allowed ingredient cost shall be AAC. If AAC is not available, the allowed ingredient cost shall be WAC. 	<p>The dispensing fees for retail pharmacies, 340B pharmacies, institutional pharmacies, and mail order pharmacies shall be tiered based upon annual total prescription volume. The dispensing fees shall be tiered at:</p> <ul style="list-style-type: none"> • Less than 60,000 total prescriptions filled per year = \$13.40 • Between 60,000 and 90,000 total prescriptions filled per year = \$11.49 • Between 90,000 and 110,000 total prescriptions filled per year = \$10.25 • Greater than 110,000 total prescriptions filled per year = \$9.31 <p>Dispensing fee is \$14.41 (rural pharmacies); no dispensing fee (government pharmacies)</p>	STATE MAC No
State of Connecticut	Ingredient cost is AWP minus 72% to step down tiers through AWP minus 20 percent based on meeting specific invoice pricing criteria (selected multi-source brand and generic); AWP minus 16% (brand)	Dispensing fee is \$1.70*	STATE MAC Yes
State of Delaware	Ingredient cost is NADAC	Dispensing fee is \$10.00	STATE MAC Yes
District of Columbia	Ingredient cost is WAC plus 3%, Chemotherapy drugs administered on or after May 1, 2016 at 100% of the Medicare fee schedule.	Dispensing fee is \$4.50	STATE MAC Yes

STATE	INGREDIENT COST	DISPENSING FEE	STATE MAC
State of Florida	Ingredient cost is lower FUL, WAC plus 1.5%, SMAC, provider's U&C, AAC (for 340B covered entities, and FQHC or their contract agents)	Dispensing fee is \$3.73 (for non-340B billed drugs); \$7.50 (340B billed drugs)	STATE MAC Yes
State of Georgia	<p>Ingredient cost is AWP minus 11%; Select Specialty Pharmacy Rate for certain disease states that are rare and/or complex with a reimbursement methodology determined by wholesaler/manufacturer data, a comparison to other State agencies' reimbursement information, and publicly available drug prices from other payers;</p> <p>Maximum allowable reimbursement for an injectable drug administered by a provider or their designee in an outpatient setting is ASP plus 6% as determined on January 1st of the applicable year;</p> <p>Most Favored Nations rate submitted by the provider and accepted by the State</p>	Dispensing fee is \$4.63 (for-profit pharmacy); \$4.33 (not-for-profit)	STATE MAC Yes
State of Hawaii	Ingredient cost is WAC	Dispensing fee is \$5.00	STATE MAC Yes
State of Idaho	Ingredient cost is AAC, or where there is no AAC reimbursement is WAC	<p>Tiered dispensing fees:</p> <p>Less than 39,999 claims a year = \$15.11</p> <p>Between 40,000 and 69,999 claims per year = \$12.35</p> <p>70,000 or more claims per year = \$11.51</p>	STATE MAC Yes

STATE	INGREDIENT COST	DISPENSING FEE	STATE MAC
State of Illinois	Ingredient cost is WAC plus 1% (multiple source legend); WAC plus 1% (single source legend); WAC plus 25% (over-the-counter drugs); AAC for implantable contraceptive devices purchased under the 340B Drug Pricing Program via FQHC or rural health centers	Dispensing fee is \$5.50 (multiple source); \$2.40 (single source); \$12.00 for both single source and multiple source drugs purchased through the 340B Drug Pricing Program (May 1, 2015-June 30, 2015 only - Dispensing fee is \$4.50 (multiple source); \$1.40 (single source); \$11.00 for both single source and multiple source drugs purchased through the 340B Drug Pricing Program)	STATE MAC Yes
State of Indiana	Ingredient cost is AWP minus 16% (brand); AWP minus 20% (generic); Reimbursement for physician administered drugs is WAC plus 5% or ASP plus 6% for those drugs without a published WAC	Dispensing fee is \$3.90	STATE MAC Yes
State of Iowa	Ingredient cost is AAC as determined from surveys or where there is no AAC reimbursement is WAC	Dispensing fee is \$11.73	STATE MAC Yes
State of Kansas	Ingredient cost is WAC minus 8.6% (generic); WAC plus 4.6% (brand); Invoice pricing for drugs without WAC or SMAC	Dispensing fee is \$3.40	STATE MAC Yes
State of Kentucky	Ingredient cost is WAC plus 3.2% (generic); WAC plus 2%; or if WAC is not available, the provider will be required to contact the manufacturer for WAC or produce an invoice price	Dispensing fee is \$5.00 (generic); \$4.50 (brand)	STATE MAC Yes

STATE	INGREDIENT COST	DISPENSING FEE	STATE MAC
State of Louisiana	Ingredient cost is AAC of the drug dispensed or where there is no AAC reimbursement is WAC Reimbursement for Cost of the Influenza Vaccine at: \$17.37 for intramuscular injected influenza vaccine - preservative free, \$13.22 for intramuscular injected influenza vaccine, and \$22.03 for intranasal influenza vaccine or billed charges, whichever is the lesser amount	Dispensing fee is \$10.51 includes State provider fee; \$10.51 for drugs obtain through the 340B Drug Pricing Program which includes the State provider fee	STATE MAC Yes
State of Maine	Ingredient cost is AWP minus 16% (brand); AWP minus 13% (generic); AWP minus 17% (specialty pharmacy); AWP minus 20% (mail order brand); AWP minus 60% (mail order generic)	Dispensing fee is \$3.35; \$2.50 (mail order brand & generic); \$4.35 and \$5.35 (compounding); \$12.50 (filling insulin syringe)	STATE MAC Yes
State of Maryland	Ingredient cost is lower of AWP minus 12%, WAC plus 8%, direct price plus 8% or distributor price when available	Dispensing fee is \$3.51 (generic); \$2.56 (brand); \$4.46 (generic to NH); \$3.51 (brand to NH); \$6.89 (home IV therapy)	STATE MAC Yes
State of Massachusetts	Ingredient cost is WAC plus 5% (all drugs except 340B billed drugs); actual acquisition cost (340B billed drugs)	Dispensing fee is \$3.00 (all drugs except 340B billed drugs); \$10 (340B billed drugs)	STATE MAC Yes
State of Michigan	Ingredient cost is AWP minus 13.5% or WAC plus 3.80% (independent pharmacy (and chain pharmacies fewer than 5 stores); AWP minus 15.1% or WAC plus 1.88% (chain pharmacies and pharmacies serving nursing facilities)	Dispensing fee is \$3.00 (long term care); \$2.75 all other providers; \$6.00 (cream, emulsion, nasal drops, ointments or optic drugs); \$10.00 (compounded capsules, powders or suppositories)	STATE MAC Yes
State of Minnesota	Ingredient cost is WAC plus 2%; WAC plus 4% (independently owned pharmacies located in a small rural or isolated rural location); WAC minus 40% (340B billed drugs)	Dispensing fee is \$3.65 (plus \$0.30 for legend unit dose drugs); Dispensing fee for over-the-counter drugs in a nursing facility through the use of an automated dispensing system is \$1.31 when the amount dispensed is less than the amount contained in the manufacturer's original packaging.	STATE MAC Yes

STATE	INGREDIENT COST	DISPENSING FEE	STATE MAC
State of Mississippi	Ingredient cost is lower of AWP minus 12% or WAC plus 9% (brand); AWP minus 25% (generic); ASP plus 6% (chemotherapy drugs and concomitant non-chemotherapy drugs administered during the chemotherapy treatment and billed on the same claim as the chemotherapy treatment)	Dispensing fee is \$3.91 (brand); \$4.91 (generic)	STATE MAC No
State of Missouri	Ingredient cost is lower of AWP minus 10.43% or WAC plus 10%	Dispensing fee is \$4.09	STATE MAC Yes
State of Montana	Ingredient cost is WAC plus 2%	Dispensing fee is \$6.78; \$12.50 to \$22.50 (compounding)	STATE MAC Yes
State of Nebraska	Ingredient cost is AWP (Nebraska Point of Purchase – NE-POP) minus 11% or WAC plus 6.8%	Dispensing fee is \$4.45	STATE MAC Yes
State of Nevada	Ingredient cost is NADAC	Dispensing fee is \$9.47	STATE MAC No
State of New Hampshire	Ingredient cost is AWP minus 16% or WAC plus 0.8%	Dispensing fee is \$1.75; Compound dispensing fee is \$1.75	STATE MAC Yes
State of New Jersey	Ingredient cost is WAC minus 1%	Dispensing fee is \$3.73 up to \$3.99 (twenty-four hour emergency service and impact area location)*	STATE MAC Yes
State of New Mexico	Ingredient cost is lower of AWP minus 14%; WAC as submitted to State; manufacturer price as submitted to State; pharmacy invoice price as obtained through audits	Dispensing fee is \$3.65	STATE MAC Yes
State of New York	Ingredient cost is AWP minus 17% (brand); AWP minus 25% (generic)	Dispensing fee is \$3.50 (generic); \$3.50 (brand)	STATE MAC Yes

STATE	INGREDIENT COST	DISPENSING FEE	STATE MAC
State of North Carolina	Ingredient cost is NADAC. If NADAC pricing is not available, AAC will be WAC + 0%. Physician administered drugs ASP plus 6% or AWP minus 10%; for the contraceptive drugs (Implanon and Mirena) WAC plus 6%	Tiered professional dispensing fee: \$13.00 when 85% or more of claims per quarter are for generic or preferred brand drugs \$7.88 when less than 85% of claims per quarter are for generic or preferred brand drugs and \$3.98 for non-preferred brand drugs.	STATE MAC Yes
State of North Dakota	Ingredient cost is WAC plus 8%, DP plus 8% (if no WAC available)	Dispensing fee is \$5.60 (generic legend drugs); \$4.60 (brand legend drugs); 1.5 times the allowed amount (EAC, FUL, or MAC) up to a maximum of \$4.60 (non-legend drugs that are prescribed; \$10 (compounds); plus \$0.15 per pill (pill splitting)	STATE MAC Yes
State of Ohio	Ingredient cost is WAC plus 7%; AWP minus 14.4% (if WAC cannot be determined)	Dispensing fee is \$1.80	STATE MAC Yes
State of Oklahoma	Ingredient cost is lower of AWP minus 12%; WAC + 5.6% (if AWP is not available); ASP +6% (injectable drugs)	Dispensing fee is \$4.02	STATE MAC Yes
State of Oregon	Ingredient cost for single source and multiple source drugs is AAC	Dispensing fee varies by claims volume; less than 30,000 claims a year is \$14.01; between 30,000 and 49,999 claims per year is \$10.14; 50,000 or more claims per year is \$9.68	STATE MAC No
State of Pennsylvania	Ingredient cost WAC plus 3.2% (brand) and WAC (generic)	Dispensing fee is \$2.00; \$3.00 (compounding)	STATE MAC Yes
State of Rhode Island	Ingredient cost is WAC	Dispensing fee is \$3.40 (outpatient); \$2.85 (long term care)	STATE MAC No
State of South Carolina	Ingredient cost is lower of AWP minus 16% or WAC plus 0.8%	Dispensing fee is \$3.00 (independent pharmacy); \$3.00 (institutional pharmacies)	STATE MAC Yes

STATE	INGREDIENT COST	DISPENSING FEE	STATE MAC
State of South Dakota	Ingredient cost is Consolidated Price (WAC multiplied by 1.2) for the drug less 13%; If no WAC, then Direct Price multiplied by 1.2	Dispensing fee is \$4.40 plus an additional \$.80 for unit dose dispensing	STATE MAC Yes
State of Tennessee	Ingredient cost AWP minus 13% for generic drugs; AWP minus 15% for brand name drugs, MAC or FUL (whichever is lower) for TennCare Pharmacy Network; Specialty Pharmacy Rates are set separately	Dispensing fee for TennCare Pharmacy Network is \$2.50 (brand); \$3.00 (generic); \$5.00 (brand nursing home) \$6.00 (generic nursing home); Compounded prescriptions \$10 (requiring 0-15 minutes to compound), \$15 (requiring 16-30 minutes), \$25 (requiring 31 or minutes)	STATE MAC Yes
State of Texas	Estimated acquisition cost (EAC) is the lower of: AWP minus 15%; Net cost to wholesaler plus 12%; Average Direct Chain Contract Price; or MAC	Dispensing fee is \$6.50	STATE MAC Yes
State of Utah	Ingredient cost is the lesser of AWP minus 17.4%, FUL, Utah Maximum Allowable Cost, or the ingredient cost submitted; Ingredient cost for 340B drugs is no more than the 340B ceiling price	Dispensing fee is \$3.90 (urban); \$4.40 (rural) Dispensing fee is \$12.39 for 340B billed drugs	STATE MAC Yes
State of Vermont	Ingredient cost is AWP minus 14.2% (multiple and single source); AWP minus 16.5% (large volume out-of-state mail order specialty pharmacies); 93% of Medicare's ASP plus 6% (physician administered drugs)	Dispensing fee \$4.75 (In-State); \$2.50 (Out-of-State); \$19.75 (compound drug fee in-state); \$17.50 (compound drug fee out-of-state)	STATE MAC Yes
State of Virginia	Ingredient cost is AWP minus 13.1%	Dispensing fee is \$3.75	STATE MAC Yes
State of Washington	Ingredient cost is AWP minus 16% (single source drugs); AWP minus 16% (multi-source drugs with four or fewer manufacturers/labelers); AWP minus 50% (multi-source drugs with five or more manufacturers/labelers and no MAC or FUL); ASP plus 6% (physician administered drugs)	Dispensing fee is \$4.24 to \$5.25 (based on 3-tiered pharmacy volume)	STATE MAC Yes

STATE	INGREDIENT COST	DISPENSING FEE	STATE MAC
State of West Virginia	Ingredient cost is AWP minus 15% (brand); AWP minus 30% (generic)	Dispensing fee is \$2.50 (brand); \$5.30 (generic); \$8.25 (340B billed drugs)	STATE MAC Yes
State of Wisconsin	Ingredient cost is WAC plus 2% (single source drugs); WAC minus 3.8% (multi-source drugs)	Dispensing fee is \$3.44 (brand); \$3.94 (generic); \$0.015 per unit (for repackaging); \$9.45 to \$22.16 (compound drug fee); \$9.45 to \$40.11 (pharmaceutical care dispensing fee)	STATE MAC Yes
State of Wyoming	Ingredient cost is AWP minus 11%	Dispensing fee is \$5.00	STATE MAC No