

PHOENIX
[REDACTED]
[REDACTED]
[REDACTED]
Office of Strategic Operations and Regulatory Affairs
Division of Regulations Development--A
Centers for Medicare and Medicaid Services
Room C4-26-05
7500 Security Boulevard
Baltimore, MD 21244-1850

Dear Ms. Musotto:

As Operations Manager Outpatient Pharmacy for Phoenix Children's Hospital, and as the past president
[REDACTED] submitting this letter in response to the Notice published in the
[REDACTED]
on a proposed data submission requirement that would mandate collection of National Drug Code
(NDC) information by State Medicaid agencies with respect to covered outpatient drugs that are
"physician administered." The Notice appeared at 71 Federal Register pages 71178 to 71179.

On behalf of Phoenix Children's Hospital, I am strongly opposed to application of the new data
[REDACTED] medical professionals to patients in hospital outpatient
[REDACTED]
[REDACTED]

In addition, it is unnecessary to subject hospitals and their outpatient clinics and departments to the
[REDACTED] administrative burdens associated with the proposed NDC data submission requirement.
[REDACTED]

drugs that are "physician administered" within the meaning of Section 1927(a)(1) of the Social Security
Act, as amended by Section 6002 of the DRA. Although Arizona is not a Medicaid state, it has been our
understanding that drugs administered in outpatient settings in hospitals, which uses a formulary system
for outpatient drugs and bills Medicaid as prescribed under the applicable Medicaid state plan, are
exempt from the rebate requirements of Section 1927 of the Act. Accordingly, the very burdensome
task of submitting NDC numbers on hospital-administered outpatient drugs would not serve the purpose
of facilitating rebate collection, as drug manufacturers' statutory rebate payment obligations do not
extend to these drugs in the first place.

Thank you for your consideration of these views in connection with the recently published Paperwork
Reduction Act Notice.

Sincerely,



Ken Cross, R.P.h.
Operations Manager Outpatient Pharmacy