

Crosswalk for Changes

Attachment 4.19-B that describes the methods and standard for establishing payment rates for prescribed drugs

Section # on	Type of Change	Rational for Change
ATTACHMENT 4.19-B 42 CFR 447.205 42 CFR 447.518(a) 1902(a)(54), 1905(a) (12),	Add: significant	Added verbiage to further clarify public notice requirements.
	Delete: changes in payment rates and	
	Add: changes in methods and standards for setting payment rates, except for price changes that occur as a result of a change in the underlying reference price on which the reimbursement methodology is based. For instance, if the State bases its reimbursement formula on average manufacturer price (AMP), and the AMP changes for a particular drug, this would not be a significant change. However, if the State changes the way it uses AMP in its reimbursement formula, this would be a significant change. Whenever a public notice is required,	
	Delete: Average wholesale price or wholesale acquisition cost	We took out reference to AWP and WAC and changed the verbiage to “reliable pricing information”.
	Add: reliable pricing information. States should also specify who they reimburse for drugs purchased through the 340B Drug Pricing Program and drugs purchased through other Federal programs.	
	Add: or the 340B ceiling price.	
Add: , if the State has a MAC program	Not all States have State MAC programs.	