



July 14, 2014

Announcement 771

340B Drug Discount Program

The 340B Drug Discount Program is a federal program that requires drug manufacturers to provide covered outpatient drugs to certain eligible 340B-enrolled entities at significantly reduced prices. For these 340B entities, the Division of Health Care Financing and Policy (DHCFP) is prohibited from claiming drug rebates as this would subject the drug manufacturers to duplicative discounts. All drug claims submitted by a 340B pharmacy to DHCFP are excluded from the drug rebate collection process.

DHCFP utilizes the Health Resources and Services Administration's (HRSA's) Medicaid Exclusion File to identify 340B providers. Pharmacies registered as a 340B pharmacy must bill with their actual acquisition cost. If a pharmacy decides to bill DHCFP as a 340B pharmacy, ALL outpatient drugs billed to DHCFP must be billed with the pharmacy's actual acquisition cost. This applies to Medicaid Fee-for-Service and Medicaid Managed Care claims.

Please refer to: <http://www.hrsa.gov/opa/> for more details.