



DATE: January 12, 2022
TO: Commonwealth of Kentucky Medicaid Pharmacy Network
FROM: MedImpact Healthcare Systems
Subject: **Acquisition Cost Increases – Reimbursement Concerns**

Status: Providers have voiced concerns about reimbursement for several brand name products as their acquisition cost has increased, but their reimbursement has not. MedImpact reimburses providers, as required, according to the DMS reimbursement fee-for-service (FFS) methodology. The FFS methodology includes the National Average Drug Acquisition Cost (NADAC) benchmark at which the majority of claims reimburse. The NADAC is a published pricing benchmark maintained by Centers for Medicare & Medicaid (CMS), not MedImpact or the Commonwealth; therefore, MedImpact nor DMS have the capability to adjust the NADAC price.

MedImpact understands providers concerns and wants to inform providers based on NADAC information that is publicly available. The bullets below were taken from the CMS website. Based on this information, **MedImpact understands the NADAC prices for these brand products with published pricing increases could be updated this week and providers may reprocess their claims as early as the weekend. MedImpact will post a notice to alert providers when the system has been updated and claims may be reprocessed. Please note, the notice would only be applicable to current price changes and not new ones.**

NADAC Key Points:

- NADACs will be reviewed for updates on both a weekly and monthly schedule – Weekly due to changes in published prices (i.e., WAC)ⁱ
- Validated drug price changes will be reflected in weekly updates
- NADAC rates with a WAC update will receive an Effective Date equal to that of the WAC Effective Date as provided by the compendia.ⁱⁱ
- The NADAC file is posted to the Medicaid.gov website on a weekly basis (Wednesday).

If the NADAC rates are not updated in the coming days and week, we encourage providers to contact Myers and Stauffer, the CMS NADAC vendor, who can research your NADAC reimbursement concerns. Their contact information is below:

Toll-free help desk phone number: 855-457-5264

Email: info@mslcrps.com



Contact Information: If you have any questions, please contact MedImpact's Kentucky Team at:

Program Questions: KYMCOPBM@MedImpact.com

BIN: 023880 / PCN: KYPROD1 / GROUP: KYM0

ⁱ [June 28 Webinar, Center for Medicaid and CHIP Services, Draft Methodology for Calculating the National Average Drug Acquisition Cost \(NADAC\)](#)

ⁱⁱ [CMS Retail Price Survey national Average Drug Acquisition Cost \(NADAC\) Overview And Help Desk Operations August 17, 2017 \(medicaid.gov\)](#)