

# This Computes!



**Department of Health Care Services  
Children's Medical Services Network  
(CMS Net) - Information Bulletin #385**

## **Average Wholesale Price Frozen in Medi-Cal's Drug Database (Revised)**

Medi-Cal Pharmacy Bulletin # 761, October 2011, reported that effective September 28, 2010, First Data Bank ceased updating AWP prices into their National Drug Data File (NDDF) database. The Medi-Cal Program utilizes this NDDF to update reimbursement for drug NDCs, enteral nutrition products, and specific medical supplies billable by an 11-digit product code:

<http://files.medi-cal.ca.gov/pubsdoco/bulletins/artfull/ph201110.asp#a4>

As a consequence, Medi-Cal (and CCS/GHPP) reimbursements have been frozen to the AWP on file as of September 28, 2011. Claims for drugs, enteral nutrition products, and 11-digit billable medical supplies will pay at the last reported AWP. Pharmacies may report that they are being reimbursed at below purchase price. Medi-Cal's fiscal intermediary, ACS, will perform an Erroneous Payment Correction (EPC) when AWP pricing is re-established. Claims will be re-adjudicated, resulting in higher reimbursements if the new AWP is higher or a reduction in reimbursement if the new AWP is lower.

**A new process to update AWP in the Medi-Cal claims system has been implemented. AWP pricing has been updated as of mid-March 2012.**

**Please check the Medi-Cal website for announcement of ACS timelines for EPC processing.**

If you have any questions, please contact:

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