

# South Carolina offers to boost fee on Medicaid reimbursement

By Drew Buono

ALEXANDRIA , Va. (Jan. 14) South Carolina's policy makers have proposed an increase in the dispensing fee for pharmacies serving the state's Medicaid patients. The South Carolina Department of Health and Human Services recently announced that it had petitioned the Centers for Medicare and Medicaid Services to increase the dispensing fee paid to pharmacies for filling Medicaid prescriptions from \$4.05 to \$9.94. The new amount relates to drugs that have ingredients valued by the average manufacturer price.

The proposed \$9.94 reimbursement rate was borne out of a South Carolina DHHS-commissioned study conducted by the University of South Carolina to calculate the actual cost of dispensing a prescription, and it was designed to cover dispensing costs and offset reimbursement cuts that would result from implementation of the Deficit Reduction Act of 2005.

The DRA-mandated cuts, which were scheduled to take effect this month, are currently being blocked by a federal court injunction granted in response to a lawsuit filed by that National Association of Chain Drug Stores and the National Community Pharmacists Association, challenging CMS' interpretation of the DRA.

"The DRA-mandated cuts present a threat to patient access that must be addressed, and we are pursuing all options and all avenues—in Congress, in the states, in the courts. NACDS greatly appreciates the proactive efforts of South Carolina's Medicaid program to recognize this threat and to ensure that pharmacies are adequately reimbursed," said NACDS president and chief executive officer Steve Anderson. "We urge CMS to approve the proposed dispensing fee increase, which can help protect low-income patients' access to medications and pharmacy services."

Other states trying to increase the reimbursement rates for Medicaid prescriptions are Louisiana and Texas.