## **HUMAN SERVICES DEPARTMENT[441]**

## **Notice of Intended Action**

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)"b."

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code section 249A.4, the Department of Human Services proposes to amend Chapter 79, "Other Policies Relating to Providers of Medical and Remedial Care," Iowa Administrative Code.

These proposed amendments remove the specific dollar amount and effective date of the pharmacy professional dispensing fee while indicating that the fee shall be set by a fee schedule determined through surveys of dispensing costs. The amendments also rescind an obsolete paragraph pertaining to the dispensing fee that is no longer in effect.

Removing the specific dollar amount and effective date of the pharmacy professional dispensing fee, while following the legislative requirement to set the dispensing fee based on a cost of dispensing survey, allows more efficient implementation of the established dispensing fee. The dispensing fee will be determined by the Department based on a survey conducted every two years beginning in SFY 2014-2015. The amendments will indicate that the fee will be set by a fee schedule determined through surveys of dispensing costs. Additionally, the fee will be posted at the Iowa Medicaid Enterprise (IME) Web site (www.ime.state.ia.us) under IME Provider Fee Schedules.

The description of the pharmacies surveyed is clarified by replacing the phrase "Iowa Medicaid retail pharmacy providers" with "Iowa Medicaid participating pharmacy providers." The phrase "retail pharmacy providers" may be confused with "retail community pharmacies," which are surveyed by the federal Centers for Medicare and Medicaid Services to determine the National Average Drug Acquisition Cost (NADAC), and which may not include specialty pharmacies and "closed door" pharmacies that provide drugs only for nursing facility residents. For purposes of the dispensing fee, the Iowa Medicaid program surveys all pharmacies participating in the Iowa Medicaid program as providers, in compliance with legislative requirements.

Any interested person may make written comments on the proposed amendments on or before April 22, 2014. Comments should be directed to Harry Rossander, Bureau of Policy Coordination, Department of Human Services, Hoover State Office Building, 1305 East Walnut Street, Des Moines, Iowa 50319-0114. Comments may be sent by fax to (515)281-4980 or by e-mail to policyanalysis@dhs.state.ia.us.

These amendments do not provide for waivers in specified situations because requests for the waiver of any rule may be submitted under the Department's general rule on exceptions at 441—1.8(17A,217).

After analysis and review of this rule making, no impact on jobs has been found.

These amendments are intended to implement Iowa Code section 249A.4.

The following amendments are proposed.

- ITEM 1. Rescind and reserve paragraph 79.1(8)"i."
- ITEM 2. Rescind paragraph 79.1(8)"j" and adopt the following new paragraph in lieu thereof:
- *j.* The professional dispensing fee shall be a fee schedule amount determined by the department based on a survey of Iowa Medicaid participating pharmacy providers' costs of dispensing drugs to Medicaid beneficiaries conducted every two years beginning in SFY 2014-2015.