

2017 Pharmacy Pricing Update

Presented By

**Jesse Snyder, DHA UBO Program Office Contract
Support Team**

25 July 2017 0800-0900 EDT

27 July 2017 1400-1500 EDT

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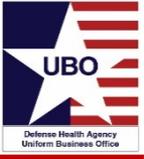
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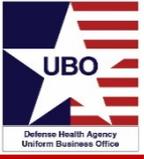
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- The UBO Pharmacy Rate File does not limit availability of pharmaceuticals
- It establishes which formulary and over the counter (OTC) pharmaceuticals by **National Drug Code (NDC)** can be billed at Military Treatment Facilities (MTFs)
- It establishes NDC-based ingredient unit rates used to calculate pharmaceutical charge(s) billed under all three UBO Cost Recovery Programs

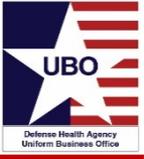
Note: “The Drug Listing Act of 1972 requires registered drug establishments to provide the Food and Drug Administration (FDA) with a current list of all drugs manufactured, prepared, propagated, compounded, or processed by it for commercial distribution. Drug products are identified and reported using a unique, three-segment number, called the National Drug Code (NDC), which serves as a universal product identifier for drugs.”*

*Source FDA web site: <http://www.fda.gov/Drugs/InformationOnDrugs/ucm142438.htm>

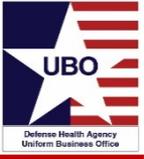


- UBO Pharmacy Rate Files are normally updated twice per year
- The next UBO Pharmacy Rate update will be effective 8/15/2017
- There are two rate files used to establish UBO pricing pharmaceuticals
- The Ingredient Rate File – Pricing for 123,830 NDCs
 - NDC
 - NCD Description
 - Dose Form
 - Unit Price (charge for each unit of the pharmaceutical)
- The Dispensing Fee Rate File
 - One standard charge per prescription

- Managed Care Pricing File (MCPF) is the original raw input source for the list of NDCs priced in the UBO Rx rate files:
 - Provided by the Defense Supply Center, Philadelphia (DSC-P) and provides 37 data elements for each NDC
 - Provides Average Wholesale Price and Prime Vendor Program (PVP) packaged NDC descriptive data, as well as unit measure ingredient cost data for individual NDCs
- Average Wholesale Price (AWP)
 - Represents the pharmaceutical vendor's list price for the NDC, rather than the true average wholesale price charged
 - Does not account for the discounts available to various payers, or reflect actual costs
- Prime Vendor Program (PVP)
 - Reflects actual negotiated contract prices



- Each NDC, with the exception of supplies and equipment, belongs to a Generic Sequence Number (GSN) cohort containing the NDCs with the same:
 - Active ingredient(s)
 - Strength
 - Dosage form
- For each GSN cohort, the unit measure price (e.g., price per pill, price per ml, price for each) for the individual NDCs in the cohort is used to determine the overall unit measure price for the GSN
- The GSN unit measure price is then used to price the individual NDCs in the UBO pharmacy rate file



- UBO Pharmacy Rate File – Provides the pricing for individual units of the NDCs
- Biller's Edition Workbook – Provides additional data on each NDC to assist billers with resolving pharmacy reimbursement issues
- The Pharmacy Pricing Estimator (PPE) – Provides a calculator to determine the price for a pharmaceutical based on the drug, quantity, and dispensing fee



UBO Pharmacy Pricing Files available for download:
<https://info.health.mil/bus/brm/ubo/SitePages/MHSUBORates.aspx>

Pharmacy Rates

Pharmacy rates are derived from the Managed Care Pricing File (MCPF) supplied by the Defense Supply Center and are based on TRICARE allowable charges, Average Wholesale Price (AWP), or Prime Vendor Program (PVP) prices listed for the National Drug Codes (NDC).

Rates are established on a unit measure price basis, and are standardized for NDCs within each generic sequence number (GSN). A GSN groups a set of NDCs with the same active ingredients, dosage form, and strength, regardless of vendor brand or generic description. Currently, rates are computed based on the median unit measure cost for all of the AWP listed NDCs in each GSN group. The median unit measure price is applied to all the NDCs in each GSN group.

Where there are no AWP listed NDCs in a GSN group, the rate for the NDCs is set to the median unit measure price of the PVP listed for the NDCs in that GSN group. As of January 2010, unit measure prices reflect the median TRICARE allowable ingredient costs.

- For the most accurate information on whether a specific drug requires prior authorization, please use the [Formulary Search Tool](#).
- Before submitting claims to other health insurance carriers, MTFs should review the insurance carrier's website for its current list of pharmaceuticals requiring prior authorization.

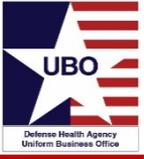
	August 2016 DoD Pharmaceutical Price Estimator	...
	August 2016 Formulary and OTC Unit Rates Billers Edition Effective 081516	...
	August 2016 Pharmacy Rate File Effective 081516	...
	February 2017 DoD Pharmaceutical Price Estimator	...
	February 2017 Formulary and OTC Unit Rates Biller's Edition Effective 021517	...
	February 2017 Pharmacy Rate File Effective 021517	...



Workbook design layout:

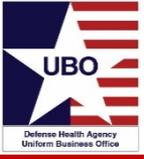
- Tab #1: Comprehensive listing of BOTH Formulary & Over the Counter (OTC NDCs (plus descriptors)
- Tab #2: Comprehensive listing of ONLY OTC NDCs (plus descriptors)
- Tab #3: DHA NDC Prior Authorization Listing

DHA UBO Rx Release Notes:			
1) Below is a comprehensive list (by 11 Digit NDC) of ALL MHS UBO Pharmaceutical Unit Prices.			
2) This list contains BOTH Formulary and OTC (Over the Counter) NDC Unit Prices			
3) Field Name Descriptions can be found in the last tab of this workbook			
NDC	NAME	DOSE_FORM	UNIT_PRICE
00049017403	GLUCOTROL XL 5 MG TABLET	EX	\$0.19
00049017807	GLUCOTROL XL 10 MG TABLET	EX	\$0.31
00049017808	GLUCOTROL XL 10 MG TABLET	EX	\$0.31
00049052022	PFIZERPEN 5 MILLION UNITS VIAL	HS	\$12.30
00049052083	PFIZERPEN 5 MILLION UNITS VIAL	HS	\$12.30
00049052084	PFIZERPEN 5 MILLION UNITS VIAL	HS	\$12.30
00049053022	PFIZERPEN 20 MILLION UNIT VIAL	HS	\$2.71
00049053028	PFIZERPEN 20 MILLION UNIT VIAL	HS	\$2.71
00049155073	GLUCOTROL XL 5 MG TABLET	EX	\$0.19
00049233045	RELPAK 20 MG TABLET	TA	\$42.65



NDC Product/Dosage Form Codes & Definitions:

DHA UBO Rx Release Notes:			
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2) This list contains BOTH Formulary and OTC (Over the Counter) NDC Unit Prices			
3) Field Name Descriptions can be found in the last tab of this workbook			
NDC	DOSAGE_FORM_CD	HIC3_DESC	GCDF_DESC
00049017403	EX	ANTIHYPERGLYCEMIC, INSULIN-RELEASE STIMULANT TY	TABLET, EXTENDED RELEASE 24 HR
00049017807	EX	ANTIHYPERGLYCEMIC, INSULIN-RELEASE STIMULANT TY	TABLET, EXTENDED RELEASE 24 HR
00049017808	EX	ANTIHYPERGLYCEMIC, INSULIN-RELEASE STIMULANT TY	TABLET, EXTENDED RELEASE 24 HR
00049052022	HS	PENICILLINS	VIAL (EA)
00049052083	HS	PENICILLINS	VIAL (EA)
00049052084	HS	PENICILLINS	VIAL (EA)
00049053022	HS	PENICILLINS	VIAL (EA)
00049053028	HS	PENICILLINS	VIAL (EA)
00049155073	EX	ANTIHYPERGLYCEMIC, INSULIN-RELEASE STIMULANT TY	TABLET, EXTENDED RELEASE 24 HR
00049233045	TA	ANTIMIGRAINE PREPARATIONS	TABLET
00049234005	TA	ANTIMIGRAINE PREPARATIONS	TABLET
00049234045	TA	ANTIMIGRAINE PREPARATIONS	TABLET
00049271030	EX	ALPHA-ADRENERGIC BLOCKING AGENTS	TABLET, EXTENDED RELEASE 24 HR
00049272030	EX	ALPHA-ADRENERGIC BLOCKING AGENTS	TABLET, EXTENDED RELEASE 24 HR
00049275066	TA	ALPHA-ADRENERGIC BLOCKING AGENTS	TABLET
00049276066	TA	ALPHA-ADRENERGIC BLOCKING AGENTS	TABLET
00049277066	TA	ALPHA-ADRENERGIC BLOCKING AGENTS	TABLET
00049278066	TA	ALPHA-ADRENERGIC BLOCKING AGENTS	TABLET



Biller's Edition Workbook: Data Elements and Definitions:

UBO Pharmaceutical Field Names and Descriptions:

NDC: 11 digit National Drug Code assigned to drug products composed of three distinct subcodes: labeler, product, and package size.

SRC_OF_SUPL_CD: Denotes whether item is from Prime Vendor Program, Federal Supply Schedule or Average Wholesale Price

UNIT_PRICE: Price per item

AHFS_THER_CLS_CD: American Hospital Formulary Service Therapeutic Classification Code which identifies the pharmacologic therapeutic category of the drug product according to the American Hospital Formulary Service (AHFS) classification system.

AHFS_THER_CLS_DESC: American Hospital Formulary Service Therapeutic Classification Code Description

PS: Package Size

GNN: Generic Name of an ingredient independent of trade or brand names.

LN: Label Name

UD: Unit Dose indicator

DOSAGE_FORM_CD: Dosage Form Code

CL_CD: Classification Code which indicates over-the-counter or prescription, according to its availability to the consumer per federal specifications.

UM: Unit of Measure

GCRT: Route of Administration code

GCRT_DESC: Route of Administration description

HIC3_DESC: Hierarchical Ingredient 3 digit Code description

GCDF_DESC: Dosage Form Description

Prior Authorization NDCs:

- Payers require prior authorization for certain prescription pharmaceuticals
- The exact list of drugs that require prior authorization varies depending on payer
- Each payer has its own set of procedures for obtaining authorization
- Claims without proper authorization may be rejected by payers
- This has the potential to impact Third Party Collections revenue
- In response to requests from the field, the UBO PO maintains a list of drugs that commonly require prior authorization has been created
- The Billers Edition provides a historical list to MTFs for reference purposes



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TRICARE Formulary Search Tool

Help us to accurately determine your coverage. Please provide the following information.

I would like to search for a drug as a

Male Female age

[Search »](#)

The Department of Defense (DoD) Pharmacy and Therapeutics (P&T) Committee (henceforth, P&T Committee) is responsible for development and maintenance of a uniform formulary. It consists of government members whose primary mission is to uniformly, consistently, and equitably provide appropriate drug therapy to meet patients' clinical needs in an effective, efficient, and fiscally responsible manner. The Committee focuses its attention on actions that will encourage the safe and effective use of pharmaceutical agents that will produce the desired outcomes of drug therapy at a reasonable cost to DoD.

Comments:

- The Basic Core Formulary (BCF) is a list of medications required to be on formulary at all full-service Military Treatment Facilities (MTFs). BCF medications are intended to meet the majority of the primary care needs of DoD beneficiaries.
- The Extended Core Formulary (ECF) includes medications in therapeutic classes that are used to support more specialized scopes of practice than those on the Basic Core Formulary (BCF).
- For most medications, supplies exceeding 30 days may be obtained in the retail network by paying an additional copay for each additional 30-day supply, up to a 90-day supply (3 copays).
- Cost shares and availability of medications at individual retail pharmacies are not guaranteed. The Cost shares listed above are based on plan policies and generic availability at the time this webpage was last updated.
- In some instances cost shares in the mail order program and/or in the retail network may be different than those listed. For example, the mail order plan may, in some cases, dispense brand name products as generics depending on the cost to the mail order plan.
- Similar medications are either used to treat the same types of conditions, work by the same mechanism, or result in similar clinical effects. The listed



TRICARE Formulary Search Tool

Help us to accurately determine your coverage. Please provide the following information.

I would like to search for a drug as a

Male Female age 45

Search »

Coverage alert

Coverage Review is required for **Harvoni 90mg-400mg Tablet**.

- **For Retail Pharmacy:**
Your plan covers this medicine only in certain cases. For an explanation of those cases, please click continue and then check Coverage Notes on the results page.
- **For Mail Pharmacy:**
Your plan covers this medicine only in certain cases. For an explanation of those cases, please click continue and then check Coverage Notes on the results page.
- **For Military Pharmacy:**
A coverage review may be required at your Military Pharmacy (MTF). Please check with your local MTF for details and drug availability.

▶ [More about coverage reviews:](#)

Quantity limits/Days supply apply to **Harvoni 90mg-400mg Tablet**.

- **For Retail Pharmacy:**
Your plan lets you receive only specific amounts of this medicine. For information about those amounts, please click continue and then check Coverage Notes on the results page.
- **For Mail Pharmacy:**

continue »

The Department of Defense maintains appropriate drug actions that will be covered by DoD.

Comments:

- The Basic Coverage are intended for...
- The Extended Coverage the Basic Coverage...
- For most medicines to a 90-day supply...
- Cost shares for generic available...
- In some instances may, in some cases...
- Similar medications...

NOTE: All requests through this tool are for 30 day supply for retail quantity/90 day supply for mail quantity unless quantity limited by your plan.

UBO Pharmacy Pricing Estimator is also available to assist with pharmaceutical pricing at
<https://info.health.mil/bus/brm/ubo/SitePages/MHSUBORates.aspx>

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	August 2016 Pharmacy Rate File Effective 081516	...
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	February 2017 Pharmacy Rate File Effective 021517	...

Pricing Pharmaceuticals using the UBO Pharmacy Rate Methodology:

- Formula used to determine the beneficiary's final charge:

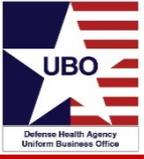
Final Charge = [The NDC unit price multiplied by the quantity dispensed] + [The fixed DHA UBO dispensing fee] (effective on the script's fill date)

- Note a pharmaceutical's "quantity dispensed" can take many product forms: Tablets, ounces, grams, caplets, etc. Look these up in the Formulary and OTC Unit Rates – Biller's Edition workbook.
- Specific NDC pricing Examples of different product forms on the following slides



Examples of Tablet and Capsule Product Forms (Dosage Form)

Product Form	Product Form Description	Product Form	Product Form Description
CA	CAPSULE (HARD, SOFT, ETC.)	TH	TABLET, HYPODERMIC
CB	CAPSULE, SUSTAINED RELEASE 12 HR	TI	TABLET, SUSTAINED RELEASE 24HR
CC	CAPSULE, SUSTAINED RELEASE 24 HR	TJ	TABLET, DISPERSIBLE
CD	CAPSULE, WITH INHALATION DEVICE	TL	LOZENGE
CE	CAPSULE, DELAYED RELEASE (ENTERIC COATED)	TM	TABLET, SUSTAINED RELEASE 12HR
CG	CAPSULE, MULTIPHASIC RELEASE 30-70	TO	TABLET, SUSTAINED RELEASE 12HR SEQUENTIAL
CH	CAPSULE, MULTIPHASIC RELEASE 50-50	TQ	TABLET, SUST. RELEASE, PARTICLES/CRYSTALS
CI	CAPSULE, MULTIPHASIC RELEASE 12 HR	TR	TABLET, PARTICLES/CRYSTALS IN
CJ	CAPSULE, MULTIPHASIC RELEASE 24 HR	TS	TABLET, SUSTAINED ACTION
CK	CAPSULE, SPRINKLE	TT	TROCHE
CM	CAPSULE, MULTIPHASIC RELEASE	TU	TABLET, SUBLINGUAL
CN	CAPSULE, SUSTAINED RELEASE PELLETS	TW	WAFER
CP	CAPSULE, 24HR SUSTAINED RELEASE PELLETS	TZ	TABLET, OSMOTIC LASER-DRILLED FORM.
CR	CAPSULE, SUSTAINED ACTION 24 HR	UA	TABLET, SEQUENTIAL
CS	CAPSULE, SUSTAINED ACTION	UB	TABLET, MULTIPHASIC RELEASE
CT	CAPSULE, DEGRADABLE CONTROLLED-RELEASE	UD	TABLET, DOSE PACK
CX	CAP DR MP	UE	TABLET, SUSTAINED ACTION SEQUENTIAL
EA	EACH	UF	TABLET, SUSTAINED RELEASE 8HR
EX	TAB ER2 24	UG	CAPSULE, DOSE PACK
GT	TABLET, SUST. REL., GASTRIC RETENTION 24HR	UH	TABLET, DOSE PACK, 3 MONTHS
TA	TABLET	UI	TABLET, SR OSMOTIC PUSH 24HR
TB	TABLET, SOLUBLE	UJ	TABLET, RAPID DISSOLVE, DELAYED RELEASE
TC	TABLET, CHEWABLE	UL	TABLET, RAPID DISSOLVE
TE	TABLET, DELAYED RELEASE (ENTERIC COATED)	UO	TABLET, MULTIPHASIC RELEASE 12HR
TF	TABLET, EFFERVESCENT	UP	TABLET, MULTIPHASIC RELEASE 24HR
TG	GUM	UR	TABLET AND CAPSULE, SEQUENTIAL



MTF Rx Billing Information:

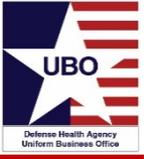
- Rx Fill Date = MM/DD/YYYY (Determines Rate File To Use)
- NDC = 52959018790
- Quantity Dispensed = 30

UBO Rx Rate File Fields to Use:

- NDC = 52959018790
- NDC Name/Description = IBUPROFEN 200 MG TABLET
- Dosage/Product Form Code = TA
- Unit of Measure (UM) = EA (Each)
- UBO Rx NDC Unit Price = \$0.03

Specific NDC Pricing Methodology:

(NDC Unit Measure Price x Quantity Dispensed) + \$2.00 Dispense Fee
($\$0.03 \times 30$) + \$2.00 = **\$2.90**



MTF Rx Billing Information:

- Rx Fill Date = MM/DD/YYYY (Determines Rate File To Use)
- 2 NDC(s) = Rx1 = 35356014790, Rx2 = 54868514202
- Quantity Dispensed = Rx1 = 90, Rx2 = 60

UBO Rx Rate File Fields to Use:

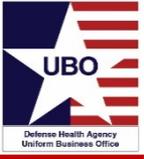
- NDC(s) = Rx1 = 35356014790; Rx2 = 35356015030
- NDC Name/Description(s) = Rx1 =ADDERALL XR 10 MG CAPSULE,
Rx2 =ADDERALL XR 30 MG CAPSULE
- Dosage/Product Form Code = CC (CAPSULE, EXT RELEASE 24 HR)
- Unit of Measure (UM) = EA (Each)
- UBO Rx NDC Unit Price = Rx1 =\$2.91; Rx2 = \$3.60

Specific NDC Pricing Methodology:

(NDC Unit Measure Price x Quantity Dispensed) + \$2.00 Dispense Fee

RX1: (\$2.91 x 90) + \$2.00 = **\$263.90**

RX2: (\$3.60 x 60) + \$2.00 = **\$218.00**



MTF Rx Billing Information:

- Rx Fill Date = MM/DD/YYYY (Determines Rate File To Use)
- NDC = 00023114501
- Quantity Dispensed = 10 Units

UBO Rx Rate File Fields to Use:

- NDC = 00023114501
- NDC Name/Description = BOTOX 100 UNITS VIAL
- Dosage/Product Form Code = HS VIAL
- Unit of Measure (UM) = EA (Each)
- UBO Rx NDC Unit Price = \$5.32 (Note: \$532.28 (Vial)/100 Units = \$5.32 per Unit)

Specific NDC Pricing Methodology:

(NDC Unit Measure Price x Quantity Dispensed) + \$2.00 Dispense Fee
(\$5.32 x 10) + \$2.00 = **\$55.20**

Examples of Inhalers:

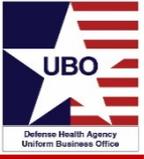
Product Form	Description
GH	INHALER (ML)
GI	INHALER (EA)
GJ	INHALER (GM)
GK	DISK, WITH INHALATION DEVICE
GZ	INHALER KIT (EA)
TD	DISK

In the NDC Name description, “ADVAIR 250-50 DISKUS”

Note the “250/50” describes the inhalation powder dosage combination:
In micrograms (a microgram is 1/1,000,000 of a gram)

Example: ADVAIR DISKUS 250/50 (fluticasone propionate 250 mcg and salmeterol 50 mcg inhalation powder)

Example: ADVAIR DISKUS 500/50 (fluticasone propionate 500 mcg and salmeterol 50 mcg inhalation powder)



MTF Rx Billing Information:

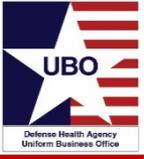
- Rx Fill Date = MM/DD/YYYY (Determines Rate File To Use)
- NDC = 00173069600
- Quantity Dispensed = 1

UBO Rx Rate File Fields to Use:

- NDC = 00173069600
- NDC Name/Description = ADVAIR 250-50 DISKUS
- Dosage/Product Form Code = GK (BLISTER, WITH INHALATION DEVICE)
- Unit of Measure (UM) = EA (Each)
- UBO Rx NDC Unit Price = \$7.30
- Package Size (PS) = 60

Specific NDC Pricing Methodology:

(NDC Unit Measure Price x Quantity Dispensed) + \$2.00 Dispense Fee
(\$7.30 x 60) + \$2.00 = **\$440.00**



MTF Rx Billing Information:

- Rx Fill Date = MM/DD/YYYY (Determines Rate File To Use)
- NDC = 52544004480
- Quantity Dispensed = 12 inches

UBO Rx Rate File Fields to Use:

- NDC = 52544004480
- NDC Name/Description = CORDRAN 4 MCG/SQ CM TAPE (4 mcg/sq cm—large roll, 80 in x 3 in (200 cm x 7.5 cm))
- Dosage/Product Form Code = EN (TAPE, MEDICATED)
- Unit of Measure (UM) = IN (Inches)
- Package Size (PS) = 80 - $\$513.23/80 = \6.42 per Inch)

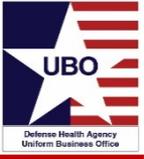
Specific NDC Pricing Methodology:

(NDC Unit Measure Price x Quantity Dispensed) + \$2.00 Dispense Fee
 $(\$6.42 \times 12) + \$2.00 = \mathbf{\$79.04}$



Examples of Ointment, Gel and Cream Product Forms

Product Form	Description	Product Form	Description
JE	BEADS (GM)	GP	GEL WITH PUMP (ML)
KA	CREAM (GRAMS)	KK	GEL, ALCOHOL BASED
KM	CREAM (MILLILITERS)	KD	GEL, SUSTAINED RELEASE (EA)
KH	CREAM IN PACKET	KR	GEL, SUSTAINED RELEASE (GM)
KS	CREAM IN PACKET (ML)	JS	GEL-FORMING SOLUTION
KW	CREAM WITH APPLICATOR	JI	GLOBULE
KV	CREAM WITH PREFILLED APPLICATOR	JD	JEL (GM)
KB	CREAM, SUSTAINED RELEASE (GM)	JB	JEL (ML)
JF	GEL (EA)	JA	JELLY (GM)
JG	GEL (GM)	JW	JELLY WITH APPLICATOR (GM)
JC	GEL (ML)	JT	JELLY WITH PREFILLED APPLICATOR (ML)
JR	GEL IN METERED-DOSE PUMP	KE	LOTION, SUSTAINED RELEASE
KN	GEL IN PACKET (EA)	KL	LUBRICANT
JP	GEL IN PACKET (GM)	KU	MEDICATED SHAVING CREAM (GM)
JO	GEL IN PACKET (ML)	KG	OINTMENT IN PACKET
JV	GEL WITH APPLICATOR (GM)	OW	OINTMENT WITH APPLICATOR
JX	GEL WITH APPLICATOR (ML)	OV	OINTMENT WITH PREFILLED APPLICATOR
JU	GEL WITH PREFILLED APPLICATOR (GM)	OC	OINTMENT(EA)
KZ	GEL WITH PUMP (GM)	OA	OINTMENT(GM)
JH	PUDDING (EA)	OB	OINTMENT(ML)
JJ	PUDDING (GM)	GS	SPRAY GEL (ML)



MTF Rx Billing Information:

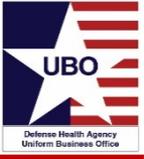
- Rx Fill Date = MM/DD/YYYY (Determines Rate File To Use)
- NDC = 45334030004
- Quantity Dispensed = 120

UBO Rx Rate File Fields to Use:

- NDC = 45334030004 (Note this NDC is also found on OTC price tab)
- NDC Name/Description = VANICREAM SKIN CREAM
- Dosage/Product Form Code = KA (CREAM (GRAMS))
- Unit of Measure (UM) = GM
- UBO Rx NDC Unit Price = \$0.01

Specific NDC Pricing Methodology:

(NDC Unit Measure Price x Quantity Dispensed) + \$2.00 Dispense Fee
($\$0.01 \times 120$) + \$2.00 = **\$3.20**



MTF Rx Billing Information:

- Rx Fill Date = MM/DD/YYYY (Determines Rate File To Use)
- NDC = 00051845030
- Quantity Dispensed = 30 Packets

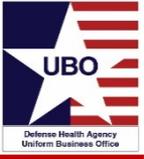
UBO Rx Rate File Fields to Use:

- NDC = 00051845030
- NDC Name/Description = ANDROGEL 1%(5G) GEL PACKET
- Dosage/Product Form Code = JP (GEL IN PACKET (GM))
- Unit of Measure (UM) = GM
- UBO Rx NDC Unit Price = \$2.15

Note: 1 Packet = 5 Grams Androgel = $\$2.15 \times 5 = \10.75

Specific NDC Pricing Methodology:

(NDC Unit Measure Price x Quantity Dispensed) + \$2.00 Dispense Fee
 $(\$10.75 \times 30) + \$2.00 = \mathbf{\$324.50}$



MTF Rx Billing Information:

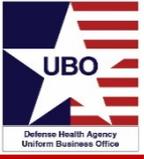
- Rx Fill Date = MM/DD/YYYY (Determines Rate File To Use)
- NDC = 25021030168
- Quantity Dispensed = 4 (entire syringe)

UBO Rx Rate File Fields to Use:

- NDC = 25021030168
- NDC Name/Description = ADENOSINE 12 MG/4 ML SYRINGE (regulate heart)
- Dosage/Product Form Code = HQ DISPOSABLE SYRINGE (ML)
- Unit of Measure (UM) = ML
- UBO Rx NDC Unit Price = \$8.16

Specific NDC Pricing Methodology:

(NDC Unit Measure Price x Quantity Dispensed) + \$2.00 Dispense Fee
(\$8.16 x 4) + \$2.00 = **\$34.64**



MTF Rx Billing Information:

- Rx Fill Date = MM/DD/YYYY (Determines Rate File To Use)
- NDC = 08290002133
- Quantity Dispensed = 1

UBO Rx Rate File Fields to Use:

- NDC = 08290002133
- NDC Name/Desc = BD SYRINGE 20 ML (SYRINGE REUSABLE, 20ML)
- Dosage/Product Form Code = YC (SYRINGE, REUSABLE)
- Unit of Measure (UM) = EA (Each)
- UBO Rx NDC Unit Price = \$47.56
- Package Size = 1

Specific NDC Pricing Methodology:

(NDC Unit Measure Price x Quantity Dispensed) + \$2.00 Dispense Fee
(\$47.56 x 1) + \$2.00 = **\$49.56**

- Within the OTC pharmaceuticals there are a number of GSNs that DO NOT contain set of homogeneous products.

Generic Sequence Number	Generic Ingredient Name Description
010828	IV EQUIPMENT
010835	INFUSION SETS-PARAPHERNALIA
010844	IV ADMIXTURE ACCESSORIES
010868	BLOOD ADMINISTRATION SET
010884	IRRIGATION SET
010926	CONTAINER,EMPTY
010944	BOTTLE,EMPTY
011074	KIT
011095	MISCELLANEOUS MEDICAL SUPPLY
011190	FERTILITY KIT
011373	FOLEY KIT
011574	MISCELLANEOUS MEDICAL SUPPLY
023868	NEBULIZER/COMPRESSOR
024490	SYRINGE
026490	PUMP SET
026506	ENTERAL PUMP
040874	COMBINATION PACKAGE
064092	MEDICAL INFORMATION ID TAG
065315	BLOOD PRESSURE KIT

DHA UBO Program Office business rules for Miscellaneous Medical Equipment NDCs within the DHA Rx Rate File update:

1. That all unit NDC prices within these OTC GSNs will NOT be priced according to median GSN methodology.
2. That all unit NDC prices within these OTC GSNs will retain their original unit price as stated in the MCPF unless there is PDTS experience for that NDC. If there is PDTS experience it will be used to set the unit prices.
3. All Unit NDC Prices for other GSNs will follow median GSN methodology.

Note: Change became effective in August 2012



MTF Rx Billing Information:

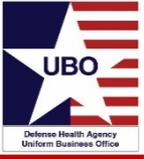
- Rx Fill Date = MM/DD/YYYY (Determines Rate File To Use)
- NDC = 17191000094
- Quantity Dispensed = 4

UBO Rx Rate File Fields to Use:

- NDC = 17191000094
- NDC Name/Description = BAG SPIKE W-CHECK VALVE
- Dosage/Product Form Code = EA (Each); Note Package Size = 20
- Unit of Measure (UM) = EA (Each)
- UBO Rx NDC Unit Price = \$3.98

Specific NDC Pricing Methodology:

(NDC Unit Measure Price x Quantity Dispensed) + \$2.00 Dispense Fee
($\$3.98 \times 4$) + \$2.00 = **\$17.92**



MTF Rx Billing Information:

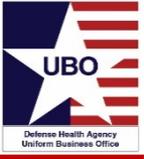
- Rx Fill Date = MM/DD/YYYY (Determines Rate File To Use)
- NDC = 76300055111
- Quantity Dispensed = 1

UBO Rx Rate File Fields to Use:

- NDC = 76300055111
- NDC Name/Description = MINIMED 530G INSULIN PUMP
- Dosage/Product Form Code = EA (Each); Note Package Size = 1
- Unit of Measure (UM) = EA
- UBO Rx NDC Unit Price = \$3,383.14

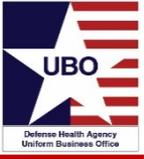
Specific NDC Pricing Methodology:

(NDC Unit Measure Price x Quantity Dispensed) + \$2.00 Dispense Fee
(\$3,383.14 x 1) + \$2.00 = **\$3,385.14**



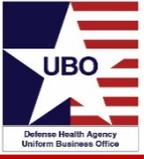
MTF Procedure to Request Rate for specific NDC Reimbursement:

- An MTF cannot bill services, supplies and pharmaceuticals if no DHA UBO rate exists in the file
- However, under certain circumstances the DHA UBO Program Office (PO) will review an out-of-cycle request (e.g., if there is a TRICARE or Centers for Medicare & Medicaid Services (CMS) rate)
- Must provide written justification and supporting documentation for recommended charge to UBO.Helpdesk@altarum.org
- Approval of a rate is MTF- or Activity-specific and cannot be used by other MTFs/Activities unless the PO states otherwise



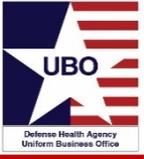
MTF Procedure to Request Rate for specific NDC Reimbursement:

- The billing office will contact its local procurement/supplies management activity to determine the actual price paid for the pharmaceutical (based upon NDC)
- MTF will obtain documentation/proof of purchase on the actual price paid (“the local proof of purchase”). The price paid is the government cost regardless of whether it is purchased from the MTF or central activity budget
- If there is no local price, the billing office will draft a written explanation documenting:
 - the dispense date (specific details)
 - the volume of when/how the NDC is being dispensed



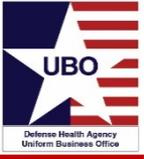
MTF Procedure to Request Rate for NDC Reimbursement:

- The billing office will forward to the DHA UBO Helpdesk the supporting documentation with a request for pricing under the Subject line: “DHA UBO Special Price Request” providing the following information:
 - The NDC and local proof of purchase
 - The quantity dispensed or number units
 - The NDC’s dispense/issue date
- The DHA UBO Helpdesk will forward the request and documentation to the pharmacy pricing SME
- The pricing SME will verify that the NDC unit price is not in the current rate file



MTF Procedure to Request Rate for NDC Reimbursement:

- If verified, he/she will convert the actual price submitted into the unit measure price (rate)
- If there is no local proof of purchase, he/she will review the written explanation and documentation to determine whether to recommend an out-of-cycle rates update
- Factors considered include:
 - The number of times (volume) the NDC dispensed
 - Similar requests received from other MTF billing offices
 - The SME may send a data call to the Services

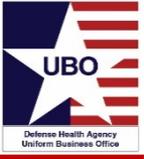


MTF Procedure to Request Rate for NDC Reimbursement:

- The SME will determine the recommended charge by:

Final Charge = [The NDC unit measure price multiplied by the quantity dispensed] + [The fixed DHA UBO dispensing fee]
(effective on the script's fill date)

- The pricing SME will submit the recommended charge and supporting justification/documentation (including no charge if insufficient justification and documentation) to the DHA UBO Program Office for review and approval



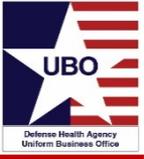
Specific NDC Example of Navy Help Desk question: NDC for Delzicol

NDC Information provided to DHA Program Office:

- NDC 00430075327 (MESALAMINE) DELZICOL DR 400 MG CAPSULE EA
- Dispensed June 2013
- Dose Form: CE (CAPSULE, DELAYED RELEASE (ENTERIC COATED))

SME Verified NDC is not in current UBO Rx rate file:

- Current UBO Rx Rate file was developed, loaded and became effective 02/2013; the NDC is not found in that file
- Next rate cycle (**which will contain the NDC**) to become effective 08/13
- The script belongs to a valid an “Out of Cycle” NDC
- SME converts the actual price submitted to the unit measure price and determines the recommended charge



Specific NDC Example – Delzicol:

- SME will determine the recommended charge :
- NDC 00430075327 DELZICOL DR 400 MG CAPSULE Unit Price = \$2.10 (based on date of service)
- **Final Charge = [The NDC unit measure price multiplied by the quantity dispensed] + [The fixed DHA UBO dispensing fee]**
(effective on the script's fill date)
- **Final Charge = (\$2.10 x 30 capsules) + \$2.00 = \$63.00 + \$2.00**
- **Final Script Charge = \$65.00 submitted to PO for review & approval**



Thank You

Questions?



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