12. a. Nevada Medicaid will meet all reporting and provision of information requirements of section 1927(b)(2) and the requirements of subsections (d) and (g) of section 1927.

The State assures that the State will not provide reimbursement for an innovator multi-source drug, subject to the Federal Upper Limits (42 CFR 447.332(a)), if, under applicable State law, a less expensive non-innovator multi-source drug could have been dispensed.

1. Payment for multi-source drugs shall be the lowest of (a) Federal Upper Limit (FUL) as established by the Centers for Medicare and Medicaid Services (CMS) for listed multi-source drugs plus a professional dispensing fee; (b) State Maximum Allowable Cost (MAC) plus a professional dispensing fee; (c) Actual Acquisition Cost (AAC) plus a professional dispensing fee; or (d) the pharmacist's usual and customary charge.~~; (e) Department of Justice pricing less 15% plus dispensing fee or (f) billed charge.~~

2. Payment for covered drugs other than multi-source drugs ~~subject to the FUL~~ shall not exceed the lower of (a) AAC plus a professional dispensing fee; or (b) the pharmacist's usual and customary charge to the general public.~~; or (c) providers actual charge to Medicaid agency.~~

3. Actual Acquisition Cost (AAC) is defined by Nevada Medicaid as the Agency's determination of the actual prices paid by pharmacy providers to acquire drug products marked or sold by specific manufacturers and is based on the National Average Drug Acquisition Cost (NADAC). Wholesale Acquisition Cost (WAC) + 0% will be offered for those drugs not available on NADAC.

~~4. The FUL for multi-source drugs for which an upper limit has been set does not apply if a physician certifies in his or her own handwriting that a specific brand is medically necessary for a particular recipient, and the statement "brand medically necessary" appears on the face of the prescription.~~

~~5.~~4. A generic drug may be considered for MAC pricing if there are two or more therapeutically equivalent, multi-source, non-innovator drugs with a significant cost difference. The ~~S~~MAC will be based on drug status (including non-rebatable, rebatable, obsolete, therapeutic equivalency ratings) marketplace availability and cost. The obsolete drug status will be taken into account to ensure that the MAC pricing is not influenced by the prices listed for obsolete drugs. The ~~S~~MAC will be based on drug prices obtained from a nationally recognized comprehensive data file maintained by a vendor under contract with the Department.

~~6. The State's dispensing fees are defined as those given to outpatient retail pharmacists at a rate of $10.17 per prescription; Pharmaceuticals given by Long Term Care pharmacists and for Home Infusion Therapy providers receive dispensing fees in accordance with retail pharmacists.~~

5. Ingredient cost reimbursement for 340B covered entities, Indian Health Services (HIS), Tribal, Urban Indian Organization pharmacies shall be the lowest of (a) AAC or (b) the 340B ceiling price. A professional dispensing fee of $10.17 will also be paid. The 340B ceiling price for a covered drug is determined by using the average manufacturer price

(AMP) minus the unit rebate amount (URA) or another pricing resource that does not exceed the ceiling price.

6. Drugs acquired through the federal 340B drug pricing program and dispensed by 340B contract pharmacies are not covered.

7. For drugs that are purchased outside the 340B program, the ingredient cost reimbursement will be based on AAC plus a professional dispensing fee of $10.17.

8. For drugs purchased through the Federal Supply Schedule (FSS), the ingredient cost reimbursement is based on AAC plus a professional dispensing fee of $10.17.

9. For drugs acquired at a nominal price (outside of 340B or FSS), the ingredient cost reimbursement is based on AAC plus a professional dispensing fee of $10.17.

10. Providers that are approved to be reimbursed through an encounter rate(s) meet AAC requirements.

11. For drugs (such as specialty drugs) not distributed by a retail community pharmacy, and distributed primarily through the mail, the ingredient cost reimbursement is based on AAC plus a professional dispensing fee of $10.17.

12. For drugs (such as a long-term care facility drugs) not distributed by a retail community pharmacy, the ingredient cost reimbursement will be based on AAC plus a professional dispensing fee of $10.17.

13. For physician administered drugs, the ingredient cost reimbursement will be based on AAC.

14. For clotting factor drugs, ingredient cost reimbursement will be based on AAC plus a professional dispensing fee of $10.17.

15. The state of Nevada does not cover investigational drugs.

~~7. There is no co-payment requirement on medications for beneficiaries.~~