



**State of Louisiana**  
Louisiana Department of Health  
Bureau of Health Services Financing

**MEMORANDUM**

**DATE:** April 29, 2019  
**TO:** All Louisiana Medicaid Prescribing Providers and Pharmacists  
**FROM:** Jen Steele, Medicaid Director  
**SUBJECT:** Louisiana Medicaid Updated Pharmacy Reimbursement Policy for Fee for Service (FFS) and Managed Care Organizations (MCO) Local Pharmacies

Effective May 1, 2019, the Louisiana Medicaid Pharmacy Program will update the reimbursement policy for pharmacy claims for all FFS enrollees and for local pharmacy claims for MCO enrollees. The changes will include updates to the ingredient cost and dispensing fee reimbursement.

**Ingredient Cost Reimbursement**

For all pharmacies in FFS and local pharmacies in MCOs, the ingredient component of the pharmacy claim will be reimbursed based on the National Average Drug Acquisition Cost (NADAC) instead of Average Acquisition Cost (AAC).

**Dispensing Fee**

The maximum allowable professional dispensing fee for all pharmacies in FFS and local pharmacies in MCOs will change from \$10.41 to \$10.99.

If you have questions about the content of this memo, you may contact the FFS pharmacy help desk by phone at (800) 437-9101.

Please forward this notice to other providers to assist with notification. Your continued cooperation and support of the Louisiana Medicaid Program efforts to coordinate care and improve health are greatly appreciated.

JS/MBW/GJS

c: Healthy Louisiana Plans  
Melwyn B. Wendt  
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