

February 19, 2007

IOWA MEDICAID ENTERPRISE

To: Pharmacy Providers
From: Iowa Medicaid Enterprise (IME)
Effective Date: February 23, 2007
Subject: Pharmacy Dispensing Fee Increase

Effective February 23, 2007, the pharmacy point of sale system will begin processing pharmacy claims submitted with the new dispensing fee of \$4.52. Pharmacy claims that have been submitted between the dates of July 1, 2006 and February 22, 2007 will be adjusted automatically by the Iowa Medicaid Enterprise to accurately reflect the dispensing fee of \$4.52. These claims will be reflected on special remittance advice dated on March 19, 2007. In order to provide a separate remittance advice of these adjustments, the IME will postpone the normal weekly payment cycle for one week. All pharmacy claims that were held back from the payment cycle will be included in the next weekly payment cycle on March 26, 2007. An informational letter regarding the dispensing fee issue will be sent to all pharmacy providers shortly.