North Carolina Medicaid Special Bulletin

An Information Service of the Division of Medical Assistance

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Attention: Pharmacy Providers

Prescriptions for Preferred Brands with Non-preferred Generic Alternatives

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NCTracks has been programmed to reimburse pharmacy claims for brand preferred/generic non-preferred medications at brand National Average Drug Acquisition Cost (NADAC) cost basis regardless of the Dispense as Written (DAW) code on the claim. Previously, only claims with codes of 1 or 8 [or 7 for Narrow Therapeutic Index (NTI) drugs] were paid at the higher brand rate.

Pharmacy providers who submitted their claims for brand preferred/generic non-preferred medications without DAW codes equal to 1 or 8 may now resubmit their claims where underpayment occurred at that time.

In addition, pharmacy providers who submitted their claims for brand preferred/generic non-preferred medications with a DAW code equal to 1 or 8, but have concerns regarding the use of these DAW codes, also may resubmit their claims using more appropriate DAW codes or without DAW codes when appropriate.

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