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NOTICE OF CORRECTION TO PHARMACEUTICAL FEE SCHEDULE

The Commission has corrected paragraph 4 of the Pharmaceutical Fee Schedule (pages 14 and 15) to read as follows:

4. Reimbursement for prescription medicines shall be based on this fee schedule in the absence of a contractual agreement between the pharmacy and payer governing reimbursement. Network discounts may not be applied in the absence of a contractual agreement with the pharmacy authorizing such discounts.

In its correction, the Commission deleted the sentence "If such a contractual agreement exists between a pharmacy and payer, then reimbursement shall be made at the lesser of the contracted charge or the fee schedule." The Commission deleted this sentence to ensure that paragraph 4 is not interpreted to mean that parties may disregard the terms of a contractual agreement. In adopting language addressing network discounts in the context of pharmaceuticals, the Commission only intended to prohibit the application of discounts in the absence of a contractual agreement between a pharmacy and payer.