



**Louisiana Department of Health
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Managed Care Organization (MCO) Pharmacy Reimbursement and Appeals

Effective Oct. 1, 2017, Act 301 of the 2017 Louisiana Regular Session requires MCOs to reimburse local pharmacies at the legacy or fee-for-service (FFS) rate. Previous legislation (Act 399 of the 2015 Regular Session) required an MCO reimbursement appeals process that was operationalized with two parts. When local pharmacies were not satisfied with MCO reimbursement, the pharmacy was to appeal directly to the MCO (part 1). If not resolved, the appeal went to Myers and Stauffer (M&S) for a final appeal (part 2). Since Act 301 requires MCOs to reimburse local pharmacies at the FFS rate, the appeals process was removed from the 2017 legislation.

Pharmacy claims with a date of service through Sept. 30, 2017 will still be eligible for a final appeal through M&S. For pharmacy claims dispensed on or after Oct. 1, 2017, the pharmacy should contact the MCO if the reimbursement is not at least the FFS rate. This mirrors the first line of the MCO appeal process currently in place. The MCO should then update their reimbursement in order to be in compliance with the legislation.

If the FFS rate is not a satisfactory reimbursement, then an Average Acquisition Cost (AAC) review should be requested through M&S. AAC rate reviews can be requested in three ways: 1) fax the [form](#); 2) [submit an on-line form](#); or 3) contact the M&S pharmacy help desk line at 1(800) 591-1183.

Your continued cooperation and support of the Louisiana Medicaid Program's efforts to coordinate care and improve health are greatly appreciated.

If you have questions about the contents of this bulletin, you may contact the Pharmacy Help Desk at 1(800) 437-9101, or refer to www.lamedicaid.com.