

TO: All Pharmacy Providers, Pharmacy Associations, and Pharmacy Vendors

RE: Average Acquisition Cost (AAC) Reimbursement for Drug Ingredient Cost

The Alabama Medicaid Agency will move to an Average Acquisition Cost (AAC) reimbursement for drug ingredient cost, plus a modified dispensing fee, for outpatient pharmacy claims effective September 22, 2010. Pharmacy providers will not be required to take any new or additional action when submitting claims.

Additional information can be found on the Agency AAC website at the link https://medicaid.alabama.gov/content/4.0_Programs/4.3_Pharmacy-DME/4.3.1_AAC.aspx.

September 17, 2010