

INFORMATIONAL LETTER NO. 2282-MC-FFS

DATE: October 28, 2021

TO: Pharmacies

APPLIES TO: Managed Care (MC), Fee-for-Service (FFS)

FROM: Iowa Department of Human Services (DHS), Iowa Medicaid Enterprise (IME)

RE: Pharmacy Dispensing Fee Increase

EFFECTIVE: November 1, 2021

Change to Dispensing Fee:

As noted in [Informational Letter \(IL\) 2095-MC-FFS¹](#), the Centers for Medicare and Medicaid Services (CMS) requires submission of a state plan amendment (SPA) for a change to the pharmacy dispensing fee. Based on the 2020 Cost of Dispensing (COD) survey and approval from CMS, the dispensing fee will increase from \$10.07 to \$10.38 effective November 1, 2021.

The [2020 COD report²](#) is posted on the [Iowa Medicaid Pharmacy Reimbursement Website³](#) under COD Survey.

The dispensing fee is posted on the [DHS website⁴](#) under the heading Pharmacy Dispensing Fee.

Pharmacy Listserv:

For updates regarding pharmacy reimbursement, send your email address to pharmacy@mslc.com to request to be added to the Iowa Medicaid pharmacy listserv.

¹ <https://secureapp.dhs.state.ia.us/IMPA/Information/ViewDocument.aspx?viewdocument=b4cac59c-23d0-47d7-90f0-d69650c3c0c1>

² [Microsoft Word - IA 2020 COD Report final.docx \(mslc.com\)](#)

³ [Iowa Department of Human Services \(mslc.com\)](#)

⁴ [Fee Schedules | Iowa Department of Human Services](#)

If you have questions, please contact the pharmacy unit of Myers and Stauffer by email at pharmacy@mslc.com, by calling toll-free at 1-800-591-1183, or by visiting the [Iowa Medicaid Pharmacy Reimbursement Website](#)⁵.

For questions related to the application of the new dispensing fee to a specific claim(s), contact the appropriate pharmacy point-of-sale (POS) claims processor help desk.

⁵ [Iowa Department of Human Services \(mslc.com\)](#)