

June 16, 2022

<Provider Name>
<Provider Address 1>
<City> <State> zipcode5-zipcode4

Dear Pharmacy Providers and Medicaid Health Plans:

RE: Clarification of Pharmacy Professional Dispensing Fees for COVID-19 Home Tests

The purpose of this letter is to provide clarification to provider numbered letter [L 22-04](#), Additional Guidance and Clarification for the Coverage of COVID-19 Prevention, Treatment, and Support Services, issued March 1, 2022.

The provider letter clarified federal Medicaid requirements for providers that coverage is available for over the counter (OTC) COVID-19 tests authorized by the Food and Drug Administration (FDA) for home use when dispensed by a Medicaid-enrolled pharmacy.

The Michigan Department of Health and Human Services (MDHHS) is clarifying to pharmacy providers that COVID-19 tests authorized by the FDA for home use are prepackaged similar to prepackaged OTC drugs. As such, a professional dispensing fee should not be requested in the provider's usual and customary charge and will not be reimbursed.

Pharmacies with affected prescription claims are encouraged to rebill in order to adjust the dispensing fee accordingly to \$0.00. MDHHS will provide affected pharmacies a list of prescriptions via a separate email/fax.

To ensure pharmacies have the opportunity to review affected claims, pharmacies should rebill within 30 days of this letter's issue date. After this date, MDHHS will reprocess affected claims that have not been rebilled by the pharmacy.

Questions regarding this letter or requests for your pharmacy's list of affected claims can be directed to MDHHSPharmacyServices@michigan.gov.

References:

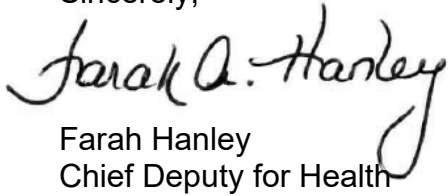
- Michigan Pharmaceutical Product List: <https://michigan.magellanrx.com> >> Provider >> Documents >> Fee for Service Drug Coverage >> MPPL and Coverage Information.
- MDHHS Medicaid Providers Dispensing Fee Webpage: www.michigan.gov/medicaidproviders >> Billing and Reimbursement >> Provider Specific Information >> Pharmacy >> Professional Dispensing Fees.

Any questions can be directed to Vicki Goethals via email at GoethalsV@michigan.gov.

L 22-29

An electronic version of this document is available at www.michigan.gov/medicaidproviders
>> Policy, Letters & Forms.

Sincerely,

A handwritten signature in black ink that reads "Farah A. Hanley". The signature is written in a cursive style with a large, looping initial 'F' and 'H'.

Farah Hanley
Chief Deputy for Health