Dispense Brand Name Drugs When Less Expensive Initiative

Effective April 26, 2010, New York Medicaid implemented a new cost containment initiative to promote the use of certain multi-source brand name drugs when the cost of the brand name drug is less expensive than the generic equivalent.

BRAND NAME DRUGS INCLUDED IN THIS PROGRAM:

In conformance with State Education Law which intends that patients receive the lower cost alternative, brand name drugs included in this program:

- Do not require 'Dispense as Written' (DAW) or 'Brand Medically Necessary' on the prescription.
- Have a generic copayment.
- Are paid at the Brand Name Drug reimbursement rate or usual and customary price, whichever is lower (SMAC/FUL are not applied).
- Do not require a new prescription if the drug is removed from this program.
- Drugs in this program may be subject to prior authorization requirements of other pharmacy programs, promoting the use of the most cost-effective product
- Reimbursement does not require the submission of a particular DAW code. Acceptable values for the Dispense As Written/Product Selection code are as follows:
  0 = No product selection
  1 = Substitution not allowed by prescriber*
  4 = Substitution allowed - Generic Drug not in stock
  5 = Substitution allowed - Brand Drug dispensed as a Generic
  7 = Substitution not allowed - Brand Drug mandated by Law
  8 = Substitution allowed - Generic Drug not available in the Marketplace
  9 = Substitution allowed by Prescriber – Plan Request Brand

*Claims should only be submitted with a DAW code of ‘1’ when the prescriber indicates in handwriting or by electronic means 'Dispense as Written' (DAW) and 'Brand Medically Necessary' on the prescription.