

**IOWA DEPARTMENT OF HUMAN SERVICES  
NOTICE OF PROPOSED CHANGES IN  
METHODS AND STANDARDS FOR SETTING MEDICAID  
PAYMENT RATES FOR PROVIDERS OF PHARMACY SERVICES**

In accordance with the public notice requirements of 42 CFR 447.205 the state of Iowa Department of Human Services (DHS) publishes this notice of significant changes in the Medicaid reimbursement methodologies for covered outpatient prescription drugs provided by enrolled pharmacy providers.

**Cost of Dispensing Survey**

Pursuant to the authority of 2012 Iowa Acts, Senate File 2336, Section 33, the dispensing fee is based on a Cost of Dispensing survey required to be completed by all Iowa Medicaid enrolled pharmacy providers and pursuant to 2013 Iowa Acts, Senate File 446, section 29 the frequency of the Cost of Dispensing survey shall be every two years beginning in 2014.

**Change in Dispensing Fee**

Effective August 1, 2016, the Iowa DHS proposes to change the pharmacy dispensing fee for covered outpatient prescription drugs from \$11.73 to \$10.02.

It is estimated that the annualized fiscal impact of these changes will decrease expenditures by approximately \$9,401,272 total (\$2,625,242 state and \$6,776,030 federal dollars).

The proposed changes are available for public review at the Department of Human Services County Offices. Questions or comments concerning this notice or the proposed changes may be addressed to Susan Parker, Department of Human Services, Iowa Medicaid Enterprise, 100 Army Post Road, Des Moines, IA, 50315. Comments received may be reviewed by the public by contacting Susan Parker at the above address.

Mikki Stier, MSHA, FACHE  
Medicaid Director  
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