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**TITLE 405 OFFICE OF THE SECRETARY OF  
FAMILY AND SOCIAL SERVICES**

LSA Document #02-141(F)

**DIGEST**

Amends 405 IAC 5-24-7 to revise copayment structure for drugs reimbursed by Medicaid. Brand name legend drugs will be subject to a three dollar (\$3) copayment. Generic legend drugs, all nonlegend drugs, and compounded prescriptions will be subject to a fifty cent (\$.50) copayment. Effective 30 days after filing with the secretary of state.

**405 IAC 5-24-7**

SECTION 1. 405 IAC 5-24-7 IS AMENDED TO READ AS FOLLOWS:

**405 IAC 5-24-7 Copayment for legend and nonlegend drugs**

**Authority:** IC 12-8-6-5; IC 12-15-1-10; IC 12-15-21-2

**Affected:** IC 12-13-7-3; IC 12-15-6

Sec. 7. (a) Under IC 12-15-6, a copayment is required for legend and nonlegend drugs and insulin in accordance with the following:

- (1) The copayment shall be paid by the recipient and collected by the provider at the time the service is rendered. Medicaid reimbursement to the provider shall be adjusted to reflect the copayment amount for which the recipient is liable.
- (2) In accordance with 42 CFR 447.15, the provider may not deny services to any eligible individual on account of the individual's inability to pay the copayment amount. Under 42 CFR 447.15, this service guarantee does not apply to an individual who is able to pay, nor does an individual's inability to pay eliminate his or her liability for the copayment.
- (3) The amount of the copayment will be as follows:
  - (A) Fifty cents (\$0.50) for each generic **legend** drug dispensed. ~~irrespective of the Medicaid payment for the generic drug.~~
  - (B) Fifty cents (\$0.50) for each **brand name nonlegend** drug dispensed, ~~for which the Medicaid payment is ten dollars (\$10) or less. whether brand name or generic.~~
  - ~~(C) One dollar (\$1) for each brand name drug dispensed for which the Medicaid payment is from ten dollars and one cent (\$10.01) to thirty dollars (\$30).~~
  - ~~(D) Two dollars (\$2) for each brand name drug dispensed for which the Medicaid payment is from thirty dollars and one cent (\$30.01) to fifty-five dollars (\$55).~~
  - ~~(E) (C) Three dollars (\$3) for each brand name **legend** drug dispensed. for which the Medicaid payment is fifty-five dollars and one cent (\$55.01) or more.~~
  - (D) Fifty cents (\$0.50) for each compounded prescription, whether legend or nonlegend.**

The pharmacy provider shall collect a copayment for each drug dispensed by the provider and covered by Medicaid.

- (b) The following pharmacy services are exempt from the copayment requirement:
  - (1) Emergency services provided in a hospital, clinic, office, or other facility equipped to furnish emergency care.
  - (2) Services furnished to individuals less than eighteen (18) years of age.
  - (3) Services furnished to pregnant women if such services are related to the pregnancy or any other medical condition that may complicate the pregnancy.
  - (4) Services furnished to individuals who are inpatients in hospitals, nursing facilities, intermediate care facilities

for the mentally retarded, or other medical institutions.

(5) Family planning services and supplies furnished to individuals of child bearing age.

(6) Health maintenance organization (HMO) pharmacy services.

*(Office of the Secretary of Family and Social Services; 405 IAC 5-24-7; filed Jul 25, 1997, 4:00 p.m.: 20 IR 3346; readopted filed Jun 27, 2001, 9:40 a.m.: 24 IR 3822; filed Nov 4, 2002, 12:16 p.m.: 26 IR 732)*

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