



## Ohio Administrative Code

### Rule 5160-9-01 Pharmacy services: definitions.

Effective: February 16, 2024

---

#### (A) Covered drugs.

(1) "Compounded prescriptions" are prescription drugs made by combining two or more drugs.

Active pharmaceutical ingredients (API) and excipients are listed on the ODM pharmacy program website at <https://pharmacy.medicaid.ohio.gov>.

(2) "Covered prescribed drug" means a drug covered by the Ohio department of medicaid (ODM) pharmacy program, or a managed care plan entity as defined in rule 5160-26-01 of the Administrative Code. Covered prescribed drugs are prescribed drugs that are dispensed to an eligible recipient for use in the recipient's residence, including a nursing facility (NF), as defined in section 5165.01 of the Revised Code, or intermediate care facility for individuals with intellectual disabilities (ICF/IID), as defined in section 5124.01 of the Revised Code, and fall into one of the following categories:

(a) "Dangerous drugs" as defined in section 4729.01 of the Revised Code that meet the definition of a "covered outpatient drug (COD)" as defined in 42 C.F.R. 447.502 (November 19, 2021) that are not non-covered drugs.

(b) Over-the-counter (OTC) drugs listed on the "OH PBM OTC List" located on the ODM pharmacy website at <https://pharmacy.medicaid.ohio.gov>. The list is updated regularly and is recorded with the effective date included in each new version.

(B) "Noncovered drugs" are drugs that fall into one of the following categories for which coverage is not available through the Ohio medicaid pharmacy program as described in Rule 5160-9-03 of the Administrative Code.

#### (C) Pricing.



(1) "340B ceiling price" means the highest price allowed to be charged by a manufacturer to a 340B covered entity as described in section 340B(a)(4) of the "Public Health Service Act," 42 U.S.C. 256b(a)(4) (in effect as of June 25, 2020).

(2) "Actual acquisition cost (AAC) means the best determination by the Ohio department of medicaid (ODM) of the actual amount the provider paid to purchase the prescribed drug. ODM acquires AAC data through one or more of the following: national survey of retail pharmacy providers, e.g., national average drug acquisition cost (NADAC) rate process, states' surveys of retail pharmacy providers e.g., Ohio average acquisition cost (OAAC), and published compendia prices, e.g., wholesale acquisition cost (WAC).

(3) "Administration fee" means the maximum amount payable to a provider to administer a vaccine or injectable drug that is payable under this chapter and authorized to be administered by a pharmacist or pharmacy intern in accordance with sections 4729.41 and 4729.45 of the Revised Code and the rules promulgated thereunder.

(4) "Equivalent drug product" means drug products with the same active ingredient, strength, and dosage form.

(5) "Equivalent generic drug products" means equivalent drug products that are identified by the medicaid drug rebate program (MDRP) drug product data files as non-innovator products. MDRP files are available on the federal centers for medicare and medicaid services (CMS) website at <https://www.medicare.gov>.

(6) "Ingredient cost" means the portion of the total medicaid payment amount attributable to the cost of the drug product, or in the case of a compound drug, the sum of the cost of the ingredients that are covered in accordance with rule 5160-9-03 of the Administrative Code.

(7) "Long-term care facility (LTCF)" means a nursing facility as defined in section 5165.01 of the Revised Code or intermediate care facility for individuals with intellectual disabilities as defined in section 5124.01 of the Revised Code.

(8) "NADAC" means the rate determined by the CMS to be the average AAC for retail community



pharmacies. NADAC rates are on the CMS website at <https://www.medicaid.gov>.

(9) "Ohio average acquisition cost (OAAC)" means pricing that more accurately reflects the actual acquisition cost for drugs for pharmacy providers in Ohio and is based on actual costs for the provider to purchase a drug.

(10) "Pharmacy pricing and audit consultant (PPAC)" means an organization which is responsible for pharmacy reimbursement calculation, benefit design, and pharmacy benefits management oversight and auditing.

(11) "Prescribed drug" has the same meaning as in section 5164.01 of the Revised Code.

(12) "Professional dispensing fee (PDF)" means the fee or fees determined pursuant to section 5164.753 of the Revised Code and set forth in this rule.

(13) "Single pharmacy benefits manager (SPBM)" means the pharmacy benefit manager selected by and under contract with the medicaid director under section 5167.24 of the Revised Code.

(14) "State maximum allowable cost (SMAC)" means the maximum amount determined by ODM, based upon an estimate of the statewide average acquisition cost (AAC) for a particular equivalent generic drug group, to be paid to Ohio medicaid providers for an equivalent generic drug group.

(15) "WAC" means the amount reported by a pharmaceutical manufacturer to pharmacy pricing compendia as the list price for a drug and may not represent the actual price of a particular transaction.

(D) Provider types eligible for payment for pharmacy services.

(1) "Clinic" providers with valid medicaid provider agreements and meet the criteria under the Revised Code to personally furnish pharmaceuticals, but are not eligible to become a "pharmacy provider" are eligible to apply for a "pharmacy" specialty designation and bill for self-administered take-home drugs.



(2) A "pharmacy provider" designation and provider number can be obtained by a "terminal distributor of dangerous drugs," as defined in section 4729.01 of the Revised Code, who:

(a) Has a valid drug enforcement agency (DEA) registration; and,

(b) Has a pharmacist as the "responsible person," as defined in rule 4729:5-2-01 of the Administrative Code; and,

(c) Complies with eligible provider rules 5160-1-17 to 5160-1-17.9 of the Administrative Code and signs a provider agreement with the Ohio department of medicaid (ODM).

(3) A "hospital" provider acting as a pharmacy can obtain a "pharmacy" specialty designation and bill for self-administered take-home drugs.