

## MaineCare Supplemental Rebate Form Instructions

### Business Rules for Supplemental Rebate Submission for Maine Medicaid

The offer form can be found at: <https://rodan.ghsinc.com> , enter SupRebate in the box, and click go there. Please click the New User button to set up your account.

Manufacturers may choose one of the following two formula's to support a supplemental rebate to the State:

#### Formula Choice

1. A supplemental rebate dollar figure that is calculated on a percentage of AWP, and as such will be paid for the term of the Agreement. If AWP changes, the supplemental rebate offer (and dollars) will likewise fluctuate (refer to column I in Example 1) as will the resultant Column K (State Net Price after all rebates considered).
2. A guaranteed net price (GNP) for the State that the manufacturer will support through the term of the Agreement that supports the State at that net unit price in Column K. If AWP fluctuates, then the supplemental rebate offer (SRO) in column I will change to maintain the State net in column K.

Regardless of the formula chosen, each field of column A through K of the supplemental rebate offer form must be completed by the manufacturer (please refer to Example 1), including the formula preference of either 1 or 2 in the Formula Choice (column H) dictating the contract rules surrounding the SRO. Although the State's preference is formula 2 (GNP), a manufacturer may choose formula 1 (AWP offer) instead, or may alternate offer choice by product but may only use ONE formula per product (i.e drug and all strengths).

The following fields must be completed (Example 1):

Column A. Drug Name

Column B. Drug NDC Number (must be full 11 digit NDC)

Column C. Fourth Quarter 2004 AWP per unit of product (per MediSpan®)

Column D. Fourth Quarter 2004 AMP per unit of product

Column E. Fourth Quarter 2004 CMS rebate per unit of product (includes CPI-U penalty)

Column F. Calculation of ME pharmacy rate on AWP unit (15% of Unit AWP). This applies to non-FUL non SMAC generics as well.

Column G. Calculation of ME pharmacy cost per unit (C minus F minus E)

Column H. Formula Choice (either (1) or (2) as listed above)

Column I. Calculated SRO (NET of CMS Rebate amount) based on Formula chosen (H)

Column J. Percentage of Supplemental Rebate offered as a percent of AWP (NET of CMS)

Column K. State Medicaid NET (G minus I) which is the result of the AWP unit paid to the pharmacy, less the CMS rebate amount and net of the SRO \$ amount reflected in column I. The resultant State Net in K may only change if Formula 1 is chosen. Column K should indicate the State Net based on your BEST MAINE OFFER, and based on your perception of preferential treatment as indicated in the Supplemental Rebate Agreement.

### Do not include dispensing fee or copayment in the calculations.

Example 1:

A	B	C	D	E	F	G	H	I	J	K
Drug Name	NDC	Q404 AWP	Q404 AMP	Q204 CMS Reb	ME Rx Rate (15% of AwP)	ME Rx Cost (C-F- E)	Formula Choice	SRO Amount \$'s	% SRO of AWP	Best State \$ Net w/ SRO
Drug A	12345678911	3.99	3.0298	0.4574	0.4788	3.0538	2	0.2926	0.07333333	2.7612

In order to complete the calculation for column K, please refer to Example 2 of the Maine SRO Form. In addition to columns A thru K defined previously in Example 1, note that there are 16 additional columns indicating Tier 1 through 8. For each Tier, there is a State Net and an SRO \$ amount of rebate. The Best State Net in column K should be the best offer that appears for that drug in one of the tier's on this offer form (likely your most preferential treatment). The dollar amount in column K would likely be the offer that you have presented in the tier indicating your strongest commitment and expectation. Additionally, the State may make a counter

offer on your submission in column K, not only in dollars but possibly in formula choice (H), tier placement, or versus other products. The State is open to multiple product offers, as well as offers where the manufacturer chooses to offer or enhance an offer on a product for more preferential treatment of a different product held by that manufacturer. All offers in the respective tiers must match the formula chosen to calculate column K.

Example 2:

	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z	AA
1	<b>Best State \$ Net</b>	State Net Tier	Supp Reb %'s	State Net	Supp Reb %'s	State Net Tier	Supp Reb %'s	State Net Tier	Supp Reb %'s	State Net	Supp Reb %'s	State Net Tier	Supp Reb %'s	State Net	Supp Reb %'s	State Net	Supp Reb %'s
2	w/SRO (G-I)	1	Tier 1	Tier 2	Tier 2	3	Tier 3	4	Tier 4	Tier 5	Tier 5	6	Tier 6	Tier 7	Tier 7	Tier 8	Tier 8
3	2.7612	2.7612	0.2926	2.86000	0.39140	2.96000	0.49140	2.96000	0.49140	3.05000	0.00000	3.05000	0.00000	3.05000	0.00000	3.05000	0
4																	
5																	
6																	
7																	
8																	
9																	
10																	

Tier 1 through 4 should include any changes in reflection to the offer (if any changes are warranted) based upon the inclusion of your drug on the PDL by the DUR Committee defined drug classes (or therapeutic category).

**Tier 1 - 3:**

Supplemental Rebate Values:

This offer assumes that your drug would be designated the first, second, or third choice respectively among preferred agents by the use of a step care approach.

**Tier 4:**

Supplemental Rebate Values:

This offer assumes that your drug would be designated as one of one or more preferred agents. Step-care will not be used to influence the preferred prescribing choices of physicians unless there are other products listed in Tier 1, 2, and 3 on the PDL.

**Tier 5-7:**

Supplemental Rebate Values:

This offer assumes that every drug within the category is subject to prior authorization and that your drug would be designated as the first, second or third choice. Step-care will be used to influence the prescribing choices of physicians.

**Tier 8:**

Supplemental Rebate Values:

This offer assumes that your drug would be designated as one of the agents subject to prior authorization. Step-care will not be used to influence the prescribing choices of physicians. In other words, although the prescriber must go through the prior authorization process to determine if a medicine can be utilized, there is no interference with product selection.

PLEASE NOTE: DO NOT ALTER THE COLUMNS OF THE OFFER FORM. ALL FIELDS OF THE OFFER FORM MUST CONTAIN THE VALUES AS TITLED IN THE COLUMN. DO NOT TYPE COMMENTS IN ANY FIELD ON THE OFFER FORM. COMMENTS SHOULD BE INSERTED IN THE MAIN BODY OF THE EMAIL AND NOT THE SUPPLEMENTAL OFFER ATTACHMENT. OFFER FORMS THAT ARE INCOMPLETE OR CONTAIN INVALID VALUES WILL RESULT IN A REJECTION, AND YOU MUST RESUBMIT A CORRECTED FORM PRIOR TO THE SUPPLEMENTAL REBATE OFFER DEADLINE.

When you are ready to submit your offer please go to **https://rodan.ghsinc.com** , enter SupRebate in the box, and click go there. Please log in with our username and password. Once you click 'log in' it will bring you to the Supplemental Rebate Home Page. Now you will need to follow the instructions as follows:

1. click on Submit S.R. Offer
2. click browse so you can select the offer form you have filled out and saved
3. include any comments you feel necessary
4. select the program you are submitting the offer for
5. please take notice of the information listed in red
6. click on the 'Submit' button at the bottom
7. you will then see the Supplemental Rebate Offer Received page
8. click on the 'Continue' button and as noted 'If there are errors, you will need to correct the errors in the spreadsheet and then re-submit the offer through this process again'.

**Important:** Refer to the Dear Manufacturer letter dated February 14, 2005 (posted on the [www.ghsinc.com](http://www.ghsinc.com) website) for SRO Submission timelines and further guidelines.

If you require any assistance with this process, please send an email to [MESRINFO@ghsinc.com](mailto:MESRINFO@ghsinc.com) with detailed information and we will get back to you in a timely manner.