

Pharmacy Benefit Medicaid Drug Rebate Program (MDRP)

Neighborhood News – October 2024

As mandated by the Centers for Medicare & Medicaid Services, only those drugs manufactured or distributed by labelers participating in a drug rebate agreement with the United States Department of Health and Human Services (DHHS) are eligible to be billed under Medicaid.

Please note that Neighborhood Health Plan of Rhode Island (Neighborhood) will reject retail pharmacy claims for medications produced by manufacturers who have not entered into a drug rebate agreement with DHHS.

This adjustment applies to both brand-name and generic medications:

- If the prescribed product is a brand-name medication, please identify and prescribe a comparable alternative for the member.
- If the prescribed product is a generic medication, the dispensing pharmacy should reprocess the claim using the same product but from a manufacturer that participates in the rebate agreement.

Please note, this requirement does not apply to Neighborhood's Commercial or INTEGRITY (MMP) plans.