



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

**Department of Human Services**  
DIVISION OF HEALTH CARE QUALITY,  
FINANCING AND PURCHASING  
Hazard Building #74  
600 New London Avenue  
Cranston, RI 02920

October 2010

Dear Medical Assistance Provider

Effective October 4, 2010, the RI Department of Human Services will implement a State Maximum Allowable Cost (SMAC) pricing methodology for multi-source products that have at least three manufacturers. The SMAC will be set at the median price for all NDCs listed in each drug/strength class. Pharmacy claims will now be reimbursed at the lower of WAC, FUL, Usual & Customary or State MAC plus the customary pharmacy dispense fee.

Pharmacy claims affected by the implementation of State MAC include: Fee-for-Service Medical Assistance claims, Department of Health (ADAP) claims, and Community Medication Assistance Program (CMAP) claims. The State MAC list is available on the DHS website for your review.

Thank you for your continuous support of the Medical Assistance Program. Any questions please call (401) 462-6390 or e-mail at [pavarista@dhs.ri.gov](mailto:pavarista@dhs.ri.gov).

Sincerely,

A handwritten signature in cursive script that reads "Paula J. Avarista".

Paula J. Avarista, RPh, MBA  
Chief of Pharmacy and Related Services  
RI Medical Assistance Program