

**DEPARTMENT OF SOCIAL AND HEALTH SERVICES  
HEALTH AND RECOVERY SERVICES ADMINISTRATION  
Olympia, Washington**

**To:** Pharmacists  
Managed Care Organizations

**# Memo:** 09-22  
**Issued:** June 1, 2009

**From:** Douglas Porter, Assistant Secretary  
Health and Recovery Services  
Administration

**For further information, go to:**  
<http://hrsa.dshs.wa.gov/pharmacy>

**Subject: Prescription Drug Program: Increase in Discount Applied to the Average Wholesale Price (AWP) of Drugs Paid for by DSHS**

**Effective for dates of service on and after July 1, 2009**, the Department of Social & Health Services (DSHS) will increase the discount applied to the Average Wholesale Price (AWP) of drugs paid through the Prescription Drug Program.

### **New Discount Applied to AWP**

As part of several pharmacy purchasing strategies to help control costs in the Prescription Drug Program, DSHS is increasing the discount applied to AWP. The maximum allowable rate for drugs reimbursed through the Point-of-Sale system will change from AWP minus 14% to AWP minus 16% **effective July 1, 2009**.

### **Updated Billing Instructions**

DSHS has updated Section H of the *Prescription Drug Program Billing Instructions* to reflect the changes discussed in this memo. The updated billing instructions may be viewed/downloaded at: <http://hrsa.dshs.wa.gov/download/BI.html#p>.

### **How Can I Get DSHS/HRSA Provider Documents?**

To obtain DSHS/HRSA provider numbered memos and billing instructions, go to the DSHS/HRSA website at <http://hrsa.dshs.wa.gov> (click the ***Billing Instructions and Numbered Memorandum*** link). These documents may be downloaded and printed.