



COMMONWEALTH of VIRGINIA
Office of the Attorney General

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MEMORANDUM

TO: BRIAN MCCORMICK
Regulatory Supervisor
Department of Medical Assistance Services

FROM: USHA KODURU
Assistant Attorney General

DATE: November 14, 2008

SUBJECT: Proposed Regulations for MAC Reimbursement Methodology for Specialty Drugs

I have reviewed the attached proposed regulation to create a method of reimbursement for specialty drugs that are covered by the Virginia Medicaid program and based on the Wholesale Acquisition Cost of the drug.

Based on my review, DMAS has the authority to promulgate this regulation, subject to compliance with the provisions of Article 2 of the Administrative Process Act and has not exceeded that authority.

Virginia Code §§ 32.1-324 and 32.1-325 grants to the Board of Medical Assistance Services the authority to administer and amend the plan for Medical Assistance and authorizes the Director of DMAS to take action according to the Board's requirements. The authority for these proposed regulations derives from Chapter 879, Item 306 CC of the 2008 Acts of the Assembly.

If you have any questions or need any additional information, please call me at 786-4074.

cc: Kim F. Piner
Senior Assistant Attorney General