This Computes!

Department of Health Care Services
Children's Medical Services Network
(CMS Net) - Information Bulletin #342

Drugs with FUL (Federal Upper Limit)

Certain drugs with multiple sources (multiple manufacturers) have upper limits to their reimbursement, as set by the United States Department of Health and Human Services (DHHS). Federal law requires the Medi-Cal Program (and CCS and GHPP) to abide by their FUL as maximum reimbursement if it is lower than the Medi-Cal payment rate.

Pharmacies billing brand name drugs, using a SCG SAR, which is covered under a FUL, will experience a reduced reimbursement, often resulting in a net loss (reimbursement will be lower than the pharmacy's purchase price of the drug).

When brand name drugs are deemed medically necessary, CCS Counties should check if the brand name drug has a FUL:

1. Determine the generic name of the drug.
2. Go to the FUL List in the Medi-Cal Provider Manual.
3. Look up generic name and strength
4. If listed, FUL applies to the brand name drug and will result in reduced reimbursement to the pharmacy when billed with a SCG SAR
5. Issue a brand name SAR. See This Computes #102.

If you have any questions, please contact:

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