

173-6-02

Definitions.

As used in this chapter:

(A) "Administrator" means an organization chosen by the department of aging to offer one or more prescription drug programs to golden buckeye program cardholders. The term includes the organization's parent company and any subsidiary of the parent company.

(B) "Cardholder" means any individual who possesses a golden buckeye card.

(C) "Department" means the Ohio department of aging.

(D) "Director" means the director of the Ohio department of aging;

(E) "Disability" means a total and permanent disability that has rendered an individual eighteen years of age or older unable to work.

(F) "Drug discount" refers to a reimbursement of a certain portion of the wholesale price of a drug to the administrator or sponsor of a prescription plan for funds accrued or paid in connection with a reduction in cost of the drug by the manufacturer to the consumer pursuant to an agreement between the manufacturer and the administrator, in consideration of the administrator's agreement to return one hundred per cent of the non-negotiated discounts to the consumer at the point of sale. Such discounts are not tied to and do not vary based on market share performance goals. To be exempt from best price calculations when determining medicaid drug rebates, discounts must meet the following test promulgated by the centers of medicare and medicaid services (CMS) pursuant to section 1927(c)(1)(C) of the "Social Security Act," 49 Stat. 620 (1935), 42 U.S.C. 301, as amended:

(1) The department's prescription drug program serves as a single enrollment point for the manufacturer's drug card program;

(2) The manufacturer's program extends pharmacy assistance to a limited subset of individual, low-income patients;

(3) The manufacturer establishes the amount of the benefit to be given to individual patients, without any negotiations between the manufacturer and any third party as to that amount;

(4) The entire amount of the discount is used to benefit individual patients without any opportunity for pharmacies, the administrator, or any third party to reduce that benefit or take a portion of it for its own benefit;

(5) The pharmacy is reimbursed based upon the lower of a calculated formula equal to the average wholesale price (AWP) less any defined percentage, plus a dispensing fee, or the pharmacy's usual and customary price for the drug; and

- (6) The pharmacy collects no additional payment, other than the benefit amount, from the applicable manufacturer's drug card program.
- (G) "Golden buckeye program" means the golden buckeye program authorized under section 173.06 of the Revised Code.
- (H) "Merchant" means any store or retail sales operation that provides consumer goods to cardholders. The term does not include any pharmacist or pharmacy that participates in the golden buckeye prescription drug program under contract with an administrator.
- (I) "Participating pharmacies" means those pharmacists and pharmacies under contract with an administrator to participate in the prescription drug program component of the golden buckeye program.
- (J) "Prescription drug" means a drug that may not be dispensed without a prescription from a licensed health professional authorized to prescribe drugs.
- (K) "Rebate" refers to a refund of a certain portion of the wholesale price of a drug to the administrator or sponsor of a prescription plan based upon a negotiated agreement between the manufacturer and the administrator, in consideration of market share performance. Under such an agreement, the administrator has unrestricted authority to use the refund in any lawful manner, including sharing a portion thereof with its clients, plan participants or providers. A rebate is subject to the best price calculations promulgated by the centers for medicare and medicaid services (CMS) when determining medicaid drug rebates.
- (L) "Sign-up sites" means those locations where an individual may apply for a golden buckeye card. Sign-up sites may include senior centers, libraries, and any other location approved by the department.
- (M) "Service providers" means those recognized professionals who provide services to cardholders. The term does not include any pharmacist or pharmacy that participates in the golden buckeye prescription drug program under contract with an administrator.

Replaces: 173-6-02
Effective: 05/08/2003

CERTIFIED ELECTRONICALLY

Certification

05/08/2003

Date

Promulgated Under: 119.03
Statutory Authority: 173.02, 173.06, 173.061
Rule Amplifies: 173.06, 173.061
Prior Effective Dates: 12/11/02, 9/12/02 (Emer.),
1/12/01