



# STATE OF NEW YORK DEPARTMENT OF HEALTH

Corning Tower The Governor Nelson A. Rockefeller Empire State Plaza Albany, New York 12237

Antonia C. Novello, M.D., M.P.H., Dr.P.H.  
*Commissioner*

Dennis P. Whalen  
*Executive Deputy Commissioner*

Dear Child Care Agency Director:

The New York State Department of Health (NYS DOH) is examining the drug carve-out process. In the interim, we have enclosed the most recent Child Care Agency Pharmacy Carveout List that specifies the drugs that are no longer included in the pharmacy cost component of the child care agency Medicaid per diem rate. You will note that each individual drug on the list has an effective start date for purposes of this carve-out.

The drugs on the pharmacy carve-out list can be directly billed to Medicaid by an enrolled pharmacy. This list includes both drugs excluded from the nursing home Medicaid rate (identified with nh) and drugs excluded from the child (foster) care agency Medicaid per diem rate (identified with fc). The enclosed carve-out list applies only to nursing home and child care agency Medicaid rates.

To assist you in sharing this Medicaid policy update with relevant staff, the NYS DOH Child (Foster) Care Agency Pharmacy Carve-out letters and list have been placed at the following New York State Office of Children and Family Services website at [http://www.ocfs.state.ny.us/main/sppd/health\\_services/new.asp](http://www.ocfs.state.ny.us/main/sppd/health_services/new.asp).

The pharmacy carve-out list is also available on the NYS DOH website at [http://www.health.state.ny.us/health\\_care/medicaid/program/docs/carveout.pdf](http://www.health.state.ny.us/health_care/medicaid/program/docs/carveout.pdf)

In order to facilitate the foster care child's receipt of medications currently on the Child (Foster) Care Agency Pharmacy Carve-out List, please provide the Medicaid enrolled pharmacy which is filling the prescription the recipient's current Medicaid ID number, date of birth, gender, and sequence number "01" on your agency letterhead along with a copy of the enclosed Dear Pharmacist letter and pharmacy carve-out list.

Any Medicaid cards previously issued to these recipients should not be utilized while they are receiving care through your agency. If a prescription for a drug on the excluded list must be filled before the foster care Medicaid recipient's Medicaid eligibility has been established on the system and/or before they have been placed on your roster, a supplemental cost report must be used. The costs for all drugs *not* listed on the Child (Foster) Care Pharmacy Carve-out List continue to be included in your child care agency Medicaid per diem rate(s).

Child care agency questions specific to child care agency Medicaid cost reporting should continue to be directed to the NYSDOH Bureau of Long Term Care Reimbursement, child care agency Medicaid rate-setting unit at 518-473-8910. Child care agency questions related to the child care agency pharmacy carve-out policy update letters should be directed to the Maternal and Child Health Bureau within my Division unit at 518-486-6562.

Sincerely,

A handwritten signature in black ink, appearing to read "Betty Rice", written over a horizontal line.

Betty Rice, Director  
Division of Consumer and Local District Relations  
Office of Medicaid Management

Enclosures