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 | INFORMATIONAL LETTER |
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TRANSMITTAL: 90 INF-36

TO: Commissioners of
 Social Services
 Directors of Voluntary
 Child Care Agencies

DIVISION: Family and
 Children
 Services,
 Medical Assistance

DATE: July 24, 1990

SUBJECT: Medicaid Reimbursement of AZT for Foster Children

SUGGESTED DISTRIBUTION: Directors of Services
 Medical Assistance Directors
 Administrative Director and/or Finance Director
 Staff Development Coordinators

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ATTACHMENTS: There are no attachments to this INF

FILING REFERENCES

Previous ADMs/INFs	Releases Cancelled	Dept. Regs.	Soc. Serv. Law & Other Legal Ref.	Manual Ref.	Misc. Ref.

Recently the federal Food and Drug Administration approved the drug Retrovir (referred to as AZT) for use in the clinical treatment of children aged thirteen years or younger with HIV (Human Immuno-deficiency Virus) infection. The purpose of this release is to inform local departments of social services of the Department's policy regarding reimbursement for the cost of AZT.

The medically necessary and appropriate use of AZT by a Medicaid eligible person is reimbursable by the Medical Assistance Program, regardless of that person's age or circumstance. Given the expense of AZT therapy, it has been determined that its cost will be met outside the existing child care agency Medicaid per diem rate structure. As of July 15, 1990, pharmacies which fill AZT prescriptions for children covered by a child care agency's per diem rate will be allowed to bill Medicaid directly. Reimbursement to the pharmacies will then be made on a fee-for-service basis; the agency's per diem rate will be unaffected by this change.

Specific instructions regarding the fee-for-service claiming of AZT will be distributed to local departments of social services as well as to medical care and child care providers as soon as the required MMIS refinements have been finalized.

Jo-Ann A. Costantino
Deputy Commissioner
Division of Medical Assistance

Joseph Semidei
Deputy Commissioner
Family and Children's Services