

**ATTENTION: FEE-FOR-SERVICE PRESCRIBERS  
MEDICAID PROGRAM - DISPENSE BRAND DRUGS  
WHEN LESS EXPENSIVE**

## **Frequently Asked Questions (FAQ)**

**This program promotes the use of certain multi-source brand name drugs when the cost of the brand name drug is less expensive than the generic equivalent.**

On April 26, 2010, New York State Medicaid implemented a new cost containment initiative which promotes the use of certain multi-source brand name drugs when the cost of the brand name drug is less expensive than the generic equivalent.

**Q: Do brand name drugs included in this program require 'Dispense as Written' (DAW) or 'Brand Medically Necessary' on the prescription.**

**A:** No

**Q: Is this program in conformance with New York State Education Law regarding generic substitution?**

**A:** Yes, generic substitution intends that a less costly alternative be dispensed; brand name drugs included in this program have a generic co-payment and are less costly for the state.

**Q: What DAW code does the pharmacy need to use when submitting a claim for a drug that is included in this program?**

**A:** Reimbursement does not require the submission of a particular DAW code. Acceptable values for the Dispense As Written/Product Selection code are as follows:

0 = No product selection

1 = Substitution not allowed by prescriber\*

4 = Substitution allowed - Generic Drug not in stock

5 = Substitution allowed - Brand Drug dispensed as a Generic

7 = Substitution not allowed - Brand Drug mandated by Law

8 = Substitution allowed - Generic Drug not available in the Marketplace

9 = Substitution allowed by Prescriber – Plan Request Brand

\*Claims should only be submitted with a DAW code of '1' when the prescriber indicates in handwriting or by electronic means 'Dispense as Written' (DAW) and 'Brand Medically Necessary' on the prescription.

**Q: Will the patient need to obtain a new prescription if the drug is removed from the Dispense Brand Drugs When Less Expensive Program?**

**A:** No. A new prescription is not required if the generic alternative becomes the more cost-effective option.