

+-----+  
 | INFORMATIONAL LETTER |  
 +-----+

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

CONTACT PERSON: Edmund Cox, Division of Family and Children Services:  
 1-800-342-3715, ext. 4-9441 (518- 474-9441)  
 Mary Fenn, Division of Medical Assistance  
 1-800-342-3715, ext. 3-5611 (518-473-5611)

ATTACHMENTS: There are no attachments to this INF

FILING REFERENCES

| Previous<br>ADMs/INFs | Releases<br>Cancelled | Dept. Regs. | Soc. Serv.<br>Law & Other<br>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