Connecticut Claimed Unallowable Federal Reimbursement for Medicaid Physician-Administered Drugs That Were Not Invoiced to Manufacturers for Rebates

What OIG Found
Connecticut did not always comply with Federal Medicaid requirements for invoicing manufacturers for rebates for physician-administered drugs. Connecticut did not invoice manufacturers for rebates associated with $1.1 million (Federal share) in physician-administered drugs. Of this amount, $1.07 million was for single-source drugs, and $46,210 was for top-20 multiple-source drugs. Further, Connecticut did not submit the utilization data necessary to secure rebates for all other physician-administered drug claims totaling $2.8 million (Federal share).

What OIG Recommends and Connecticut Comments
We recommend that Connecticut refund to the Federal Government $1.07 million (Federal share) for claims for single-source physician-administered drugs, and $46,210 for claims for top-20 multiple-source physician-administered drugs, and work with CMS to determine the unallowable portion of the $2.8 million (Federal share) for other claims for outpatient physician-administered drugs that were at issue. We also make procedural recommendations to Connecticut.

Connecticut concurred with our first two recommendations and, for our other recommendations, described corrective actions that it had taken or planned to take.