

REPORT HIGHLIGHTS



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Missouri Did Not Obtain Millions of Dollars in Rebates for Medicaid Physician-Administered and Pharmacy Drugs

Why OIG Did This Audit

- For a covered outpatient drug to be eligible for Federal reimbursement under the Medicaid program's drug rebate requirements, manufacturers must pay rebates to the States for the drugs.
- States invoice the manufacturers for rebates to reduce the cost of drugs to the program.
- This audit is a followup to a previous OIG audit, which reported that between January 1, 2009, and December 31, 2011, Missouri did not always comply with Federal Medicaid requirements for billing manufacturers for rebates for physician-administered drugs.
- This audit, one of a series of OIG audits of the Medicaid drug rebate program, sought to determine whether Missouri complied with Federal Medicaid requirements for invoicing manufacturers for rebates for physician-administered and pharmacy drugs.

What OIG Found

- Between January 1, 2019, and December 31, 2022 (audit period), Missouri did not invoice for, and collect from manufacturers, rebates for \$9.7 million (Federal share) for physician-administered drugs and \$2.5 million (Federal share) for pharmacy drugs.
- Also, during our audit period, Missouri did not invoice manufacturers for rebates for \$165,783 (Federal share) for other physician-administered drugs that could have been eligible for rebates.
- Furthermore, Missouri did not implement our previous audit recommendations.

What OIG Recommends

We make six recommendations to Missouri, including that it refund to the Federal Government \$9.7 million (Federal share) for physician-administered drugs and obtain rebates for, and refund to the Federal Government, \$2.5 million (Federal share) for pharmacy drugs. We also recommend that Missouri work with [CMS](#) to determine the unallowable portion of the \$165,783 (Federal share) for claims for other physician-administered drugs that may have been required to be rebated; that it work with CMS to resolve all of our previous audit recommendations; and that it strengthen internal controls. The full recommendations are in the report.

Missouri stated that it would work with CMS to resolve our recommendation regarding the \$165,783 (Federal share) for claims for other physician-administered drugs that may have been required to be rebated. Missouri did not indicate concurrence or nonconcurrence with our other recommendations but described corrective actions it had taken and planned to take.