



Pharmacy Billing Guidance for Brand Name Drugs with New Generic Launches

All new drugs to market are subject to clinical and fiscal review by NYRx, the Medicaid Program, for formulary placement and prior authorization requirements. The review process may occasionally cause a delay between newly launched generic drug market availability and NYRx coverage activation. During this time, pharmacists should continue to utilize the brand name drug with an appropriate Dispense-As-Written (DAW) code, in NCPDP field 408-D8. This guidance does not supersede the prescribing provider's designation of "DAW", if indicated. If the prescriber has not made such an indication, pharmacists can utilize a DAW code value of "5": "Substitution allowed – Brand Drug dispensed as a Generic," until the generic is available for reimbursement. Claims submitted with a DAW code value of "5", for this purpose, will reimburse at the brand rate as summarized in the [Medicaid Fee-for-Service Pharmacy Reimbursement](#). Once the generic coverage is activated, the DAW code 5 will no longer need to be utilized. Please continue to use the [Medicaid Pharmacy List of Reimbursable Drugs](#) to verify coverage of newly launched generic drugs.

Questions and Additional Information:

- NYRx claim questions should be directed to the eMedNY Call Center at (800) 343-9000.
- NCPDP Companion Guide:
https://www.emedny.org/HIPAA/5010/transactions/NCPDP_D.0_Companion_Guide.pdf
- NYRx coverage and policy questions should be directed to the Medicaid Pharmacy Unit by telephone at (518) 486-3209 or by email at NYRx@health.ny.gov.