



## TEXAS HEALTH AND HUMAN SERVICES COMMISSION

ALBERT HAWKINS  
EXECUTIVE COMMISSIONER

May 2, 2008

ATTENTION: Pharmacy Owner or Pharmacist in Charge

The Texas Health and Human Services Commission (HHSC), through a contract with the University of Texas Center for Pharmacoeconomic Studies (UT), is conducting a study to determine the cost for pharmacies to dispense prescriptions in Texas. The results of the study will be shared with the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS). CMS is the final approval authority on Medicaid provider reimbursement rate changes, and they have requested justification for the current Texas Dispensing Fee: \$7.50 + 2 percent. Your pharmacy was randomly selected for participation in the study, and we request your completion of the enclosed cost report by June 2, 2008.

A limited number of chain, independent, nursing home, and home health pharmacies were selected. Therefore, it is essential that every pharmacy requested to submit a cost survey participate, and that the cost and statistical information on the survey be accurate. Your timely, completed response will be crucial to our ability to demonstrate, to both CMS and the Texas Legislature, the current cost of dispensing prescription drugs in Texas.

Please read the enclosed letter and instructions from UT. They contain the information you will need to complete the cost report. Should you have any specific questions about filling out the cost report, UT will provide direct assistance (see enclosure for contact information).

I want to thank you in advance for your cooperation with this effort. As the administrators and providers of the state's prescription drug program, we have a shared responsibility to carry out this project in the most accurate manner possible. If you have any general questions about the study, please contact me at (512) 491-1843 or e-mail at [Andy.Vasquez@hhsc.state.tx.us](mailto:Andy.Vasquez@hhsc.state.tx.us).

Sincerely,

A handwritten signature in black ink, appearing to read "Andy Vasquez".

Andy Vasquez

Deputy Director, Medicaid/CHIP Vendor Drug Program

Enclosure