



Department of Health Care Services
Pharmacy Benefits Division

MEMORANDUM

DATE: January 5, 2016

FROM: Harry Hendrix, Jr., Chief
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SUBJECT: Annual Report Required by Welfare and Institutions Code Section 14105.34

This memorandum serves as the annual report from the Department of Health Care Services (DHCS) for specified Medi-Cal pharmacy costs or Medi-Cal drug costs for state fiscal year 2014-15. This annual report is mandated by Welfare & Institutions Code Section 14105.34, which states:

- (a) The department shall provide for an annual written report of Medi-Cal pharmacy costs or Medi-Cal drug costs, as defined in subdivision (e) of Section 14105.31.
- (b) The annual report shall be consistent with the relevant sections of the Quarterly Report of Expenditures for the Medi-Cal Assistance Program, known as the CMS-64 Report, provided to the federal Centers for Medicare and Medicaid Services. The report shall include the following expenditure and receipt information:
 - (1) The total annual rebate amounts received by the department pursuant to agreements with the federal Centers for Medicare and Medicaid Services of the United States Department of Health and Human Services.
 - (2) The total annual rebate amounts received pursuant to state contracts with drug manufacturers.
 - (3) Total drug cost amounts upon which rebate payments were made.

The annual report for this and ongoing years will be posted on the DHCS [Pharmacy Benefits webpage](#) in January of the following year.

Attachment



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MEMORANDUM

California Department of Health Care Services
Annual Medi-Cal Drug Cost and Rebate Report
Required by Welfare & Institutions Code Section 14105.34
State Fiscal Years (SFY) 2014-2015

<i>Fiscal Year</i>	<i>Prescribed Drugs*</i>			<i>Rebates</i>		
	<i>Title XIX</i>	<i>Title XXI</i>	<i>Total</i>	<i>Federal</i>	<i>State</i>	<i>Total</i>
SFY 2014-15	\$3,440,526,433	\$89,474,191	\$3,530,000,624	\$(2,486,488,630)	\$(158,974,027)	\$(2,645,462,657)

Source: Data as of September 24, 2015, reported quarterly to the federal Centers for Medicare and Medicaid Services on Line 7 of the CMS-64 Quarterly Expense Report

*All amounts listed under Prescribed Drugs represent amounts prior to rebates.