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**Small Rural Pharmacy Grants Program Abstract: Increasing Professional Dispensing Fees and Reimbursement Rates Between Small Rural Pharmacies and MCOs to Prevent Pharmacy Closures and Subsequent Barriers to Access to Prescription Treatments**

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This Small Rural Pharmacy Grants Program funding opportunity; in the total amount of up to **\$1,500,000**; is being offered to all eligible pharmacies who submit complete electronic copies of their grant application with requested award amounts based on the total number of Medicaid managed care organization (MCO) prescriptions covered in CY2019. The amount of **\$5.00** per MCO prescription dispensed in CY2019 is being awarded through the Maryland Department of Health, Office of Pharmacy Services (the Program), with allocated Maryland State general funds. This grant program will assist small rural pharmacies by offering supplemental funding to offset the low reimbursement available to them through currently appropriated professional dispensing fees between pharmacy benefit managers (PBMs) of MCOs and pharmacies.

The purpose of the Small Rural Pharmacies Grant Program is to support the incorporation of lessons learned from "[Maryland's 2019 Report On The Maryland Medical Assistance Program And Managed Care Organizations That Use Pharmacy Benefits Managers – Audit and Professional Dispensing Fees](#)" report in the areas of professional dispensing fees and spread pricing and the difference between those for MCOs' PBMs and pharmacies. The goal of providing funding for the eligible pharmacies is to maintain and/or increase their current service thresholds for MCO participants and facilitate the sustainability of pharmacy operations in localities where closure would critically limit access to pharmacy services for a significant number of MCO participants. Small rural pharmacies selected to receive grant funding will be responsible for indicating to the Program how the funds will be used to cover their costs to dispense and allow them to continue to serve or expand services to MCO participants.

Pharmacies will be notified of the grant program via a *Letter of Information* by U.S. mail by **June 26th, 2020**. The *Request for Applications (RFA)* will be issued via the Program's [website](#) on **July 1st, 2020**, and the deadline to submit applications is **July 31st, 2020, by 5:00 PM EST** via email to **Deanna Beebe** at [deanna.beebe@maryland.gov](mailto:deanna.beebe@maryland.gov)<sup>1</sup>. A *webinar* for interested applicants has been scheduled to support pharmacies in the application process on **July 9th, 2020 from 1:00 to 2:00 PM EST**. Interested individuals can register for the *webinar* on the Program's [website](#). During this *webinar*, the Program will provide an overview of the grant program and application process. The *webinar* and its contents will be recorded and posted to the Program's [website](#) and distributed by email to any participants who request it the following day. *Notification of Award* letters will be sent via email and U.S. mail (as applicable) by **August 21st, 2020**. Awardees must return their signed *Grant Agreement* and *Invoice for Funding* by **August 31st, 2020** (see *RFA: Attachments 3, 4, & 6*). The grant funding period will begin on **September 1st, 2020**, following receipt of the deliverables stated above. A *Final Report* will be due by **5:00 PM EST on July 30th, 2021** (see *RFA: Attachment 7*).

**Eligibility Requirements for the Small Rural Pharmacies Grant Program include:**

- Must be a Small Pharmacy (**have three [3] stores or less under the same ownership**).
- Must be located within a rural zip code in MD as defined by CMS's "[Zip Codes to Carrier Locality](#)" File.
- Must currently be enrolled in the **Maryland Medicaid Pharmacy Program** as a pharmacy provider and currently providing prescriptions to MCO participants.
- The total # of prescriptions processed by MCOs for the pharmacy must be **30,000 or less for CY2019**.

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<sup>1</sup> If the application documents cannot be submitted via email, please contact **Deanna Beebe** at [deanna.beebe@maryland.gov](mailto:deanna.beebe@maryland.gov) or (410) 767-5701.