DAW 1 Coding and Reimbursement Rates

February 11, 2022

During the 180-Day Transition Period

Effective January 1, 2022, a claim identified with a Dispense as Written 1 (DAW1) will be reimbursed at the brand-name price if the beneficiary claim history includes either of the following:

- A paid claim for the same brand-name drug.
- An active prior authorization (PA) for the same brand-name drug.

If there is no beneficiary claim or PA history for the medically necessary brand-name drug, the pharmacy or prescriber may submit a clinical PA justifying the medical need for the brand-name product—as opposed to a less costly generic alternative—for approval of the medically necessary brand-name drug. If the clinical PA is approved, the claim will pay at the brand-name price for the duration of the PA effective date.

Post-Transition Period

Effective July 1, 2022, for a medically necessary brand-name drug to be reimbursed at the brand-name price or continue to be reimbursed at the brand-name price, a prescriber or pharmacy will need to submit a clinical PA for the medically necessary brand-name drug. If the PA is approved, the claim will be reimbursed based on the brand-name price for the duration of the PA effective date.

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