



Department of Health

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Attention All Providers:

The Pharmacy Carve-Out Has Been Delayed by Two Years, until April 1, 2023

Delay Transition of Medicaid Pharmacy Benefit: *The FY 2021 Enacted Budget transitioned the Medicaid pharmacy benefit from Managed Care to fee for service to increase transparency, maximize rebates and reduce administrative costs. Savings were reinvested to 340B entities no longer receiving excess reimbursement for 340B drugs under Managed Care. **The FY 2022 Enacted Budget delays the transition of the Medicaid pharmacy benefit by two years, until April 1, 2023.***

[Governor Cuomo Announces Highlights of FY 2022 Budget to Reimagine, Rebuild and Renew New York](https://www.governor.ny.gov/news/governor-cuomo-announces-highlights-of-fy-2022-budget-to-reimagine-rebuild-and-renew-new-york) (governor.ny.gov)

The Medicaid FFS Program and Medicaid Managed Care Plans are updating websites and materials to reflect this change.