

August 28, 2025

TO: AHCCCS Providers
AHCCCS MCO Pharmacy Directors
AHCCCS MCO Medical Directors
Division of Fee-For-Service Management
AHCCCS Clinical Staff
AHCCCS MCO Compliance Officers

From: Suzi Berman, RPH

Subject: Manufacturers No Longer Participating in the CMS Medicaid Drug Rebate Program (MDRP)

We were recently notified by CMS of some manufacturers that will no longer be participating in the CMS Medicaid Drug Rebate Program (MDRP) effective October 1, 2025.

Medications produced by manufacturers that do not participate in the CMS MDRP are excluded from coverage under Medicaid and this affects all medications produced or marketed by the manufacturer. The manufacturer must include all of their drugs when participating in the CMS MDRP. There are no federal matching funds available for medications that are excluded from coverage when a manufacturer does not sign the CMS MDRP contract. In order to use state funds, the state must also receive federal matching funds in order to cover a drug under the AHCCCS Pharmacy Benefit. Since we will not receive federal matching funds for the drugs of manufacturers that are not part of the MDRP, AHCCCS is not permitted to use state funds to pay for these medications.

There are two spreadsheets attached, a drug listing by each manufacturer that will be excluded from coverage as of 10/1/2025 and a listing of contact information for manufacturers exiting the CMS MDRP and the contacts correspond to the drug listed that will be excluded.

There are some products under the manufacturer (labeler 65649), Salix Pharmaceuticals, where there may or may not be a clinical replacement. The one drug that we are bringing to your attention is Xifaxan (Rifaximin) which will no longer be covered beginning October 1, 2025.

Xifaxan is FDA approved for the following uses:

- Hepatic Encephalopathy prevention
- Irritable Bowel Syndrome with Diarrhea
- Traveler's Diarrhea

Xifaxan has also been utilized off-label for the following:

- Clostridioides Difficile infection (2nd or subsequent recurrence-alternative regiment)
- Hepatic Encephalopathy treatment
- Pouchitis - post-ileal pouch-anal anastomosis, acute refractory disease
- Small intestinal bacterial overgrowth
- Traveler's Diarrhea, prophylaxis

For medically necessary drugs that are excluded from coverage, we urge providers to seek compassionate use for their patients under patient assistance programs as soon as possible to avoid the October 1st date when these drugs become excluded from coverage under the AHCCCS Program.

For manufacturer patient assistance programs, many of the forms can be found on the website, RxAssist.org, or you may contact the manufacturer on their website or use the manufacturer contact list mentioned earlier in this memo.

If you have any questions, please email the AHCCCS Pharmacy Department at AHCCCSPharmacyDept@azahcccs.gov.