

Unit Rebate Amount (URA) Calculation for Non-innovator Multiple Source Drugs

The Centers for Medicare & Medicaid Services' Medicaid Drug Rebate (MDR) system calculates the unit rebate amount (URA) using the labeler's reported pricing. The specific methodology used is determined by law and depends upon whether a drug is classified as single source ("S" drug category), innovator multiple source ("I" drug category), non-innovator multiple source ("N" drug category), a clotting factor drug (CF), or an exclusively pediatric drug (EP).

For "N" drugs, the URA is equal to 13% of Average Manufacturer Price (AMP).

Step 1 – URA Calculation

Product "X" AMP = 0.1243

Formula: $URA = AMP \times 13\%$

- $0.1243 \times 13\% = 0.016159$

$$URA = 0.016159$$

Step 2 - Rounding

The resulting URA is calculated to 6 decimal places and rounded to 4.

- URA = 0.016159
- Final URA = 0.0162