



U.S. Department of Veterans Affairs

VA Federal Supply Schedule

October 1, 2025

Supplemental DML 2025

Dear Manufacturer of Covered Drugs,

In recent months, the Department of Veterans Affairs (VA) has received several requests for guidance on how the VA plans to treat the Inflation Reduction Act (IRA) "Maximum Fair Price" (MFP) for purposes of non-federal average manufacturer price (non-FAMP) calculations. Based on the information currently available to the Public Law Policy Group, including that these sales will be Medicare Part D sales, there is no basis to characterize the IRA sales as Federal Sales. Therefore, the IRA sales should be included in the 2027 non-FAMP calculations (due in November 2026). This is consistent with previous guidance that was published in the October 18, 2006, Dear Manufacturer Letter (pasted below):

2. Are Sales To Medicare Part D Plans Excludable From non-FAMP?

The Policy Group has decided that manufacturer's sales of covered drugs to Medicare Part D plans are commercial sales, which (assuming that the drugs are delivered through wholesalers in the United States) are to be included in non-FAMPs.

Sincerely,

Diana D. Lawal
Department of Veterans Affairs
Chair, P.L. 102-585, Sect. 603, Policy Group