October 1, 2026

RE: Public Law 102-585 2027 Pricing Updates and PPA Submission

Dear Federal Supply Schedule Manufacturer:

The following information is provided in order to assist your firm in updating its Pharmaceutical Pricing Agreement (PPA) – Addendum A and the Federal Supply Schedule (FSS) contract pricing for covered drugs. These revisions are mandated by Section 603 of the **Veterans Health Care Act of 1992, Public Law 102-585.**

Recently, your firm received instructions from VHA Pharmacy Benefits Management Strategic Health Group (PBM) to assist you in calculating the 2027 Federal Ceiling Price (FCP) for each covered drug available under your FSS contract. This is the first step in the process; your annual NFAMP report must be completed and submitted to PBM by *November 15, 2026, prior to updating your current FSS contract*.

Request for Modification (RFM) Submission:

In order to modify your firm's FSS contract to incorporate updated pricing for covered drug (SIN 42-2A) line items, you must submit a properly prepared Request for Modification (RFM) form to our office for consideration no later than close of business *November 20, 2026*. If your firm maintains dual pricelists, you will need to update both Big 4 and OGA pricing.

Changes to the price proposal spreadsheet received after November 20, 2026 or modification requests that have been submitted with missing and/or inaccurate information may result in a modification effective date later than January 1, 2027. Your firm may be required to honor the updated 2027 FCP calculations if these recalculations result in a lower price than currently awarded under the FSS contract.

Public Law Core Team

The PL Core Team is led by James Wenzbauer (Senior Contract Specialist), assisted by Deborah Bukowski and Arron Clayton (both Senior Contract Specialists).
This team will handle all PL-related modification requests and issues, including FSS pricing disputes (such as those occurring on 9/30/26). Even though each company has a permanent contract specialist (PCS), the PCS may not be assigned to work on PL pricing update modifications. If so, companies should not correspond with their PCS about PL issues; instead, the PCS will manage other contract concerns. Please send any PL related questions to AMMHIN.PL102585@va.gov.

Email Submission

Manufacturers of covered drugs will need to continue to submit the Public Law RFMs and related documentation to AMMHIN.PL102585@va.gov. Copy your assigned Public Law contract specialist.

At this time, the email address above is to be used only for Public Law RFMs. To ensure receipt of the RFM, the Subject Line must have the following identifying information:

RFM-Contract Number-PL 2027

Database Update:

Similar to previous years, we will be employing an electronic method to update our databases using pre-populated Microsoft Excel price proposal spreadsheets. These pre-populated spreadsheets will also be utilized to prepare the actual 2027 Public Law pricing update modifications to FSS contracts with covered drugs on them. After PBM calculates the 2027 FCPs for the covered drug line items on your FSS contract that are subject to the annual pricing update process and under separate cover, you will receive an email from your assigned Public Law contract specialist. This email will include a detailed discussion of the 2027 Public Law update process, and include your firm's 2027 PL price proposal spreadsheet, instructions for completing the spreadsheet, a sample completed spreadsheet, and the Public Law 102-585 2027 Pricing Update RFM package. *The spreadsheet will contain those covered drug products and related pricing information current as of November 15, 2026.*

The RFM form used for the PL Process is different from the standard forms we accept during January through October. *Only the prescribed PL forms will be accepted*. We ask that you take this opportunity to review the instructions, required PL forms, and sample pre-populated spreadsheet prior to submitting your PL RFM package. The PL RFM package is available online.

Addendum A:

Enclosed is a copy of the 2027 Pharmaceutical Pricing Agreement (PPA) Addendum to be completed and returned with your submitted RFM to your assigned PL contract specialist **as soon as possible, but not later than November 20, 2026**. This document should reflect only the established 2027 FCP for each covered drug line item, ***without*** inclusion of the Industrial Funding Fee (IFF). The authorized official who originally signed your company's PPA (or an authorized successor) must complete and sign the new Addendum A to the PPA for 2027.

You must provide a pdf copy with signature to our office. If additional space is needed, provide an attachment using the same format as the Addendum A Form.

Temporary Price Reductions to be effective January 1, 2027

If your firm wishes to offer new voluntary, temporary price reduction(s)[1] for certain product items and/or delete products from your contract with an effective date of January 1, 2027, you must:

1. Complete and submit a separate price decrease and/or product deletion modification request form and price proposal spreadsheet; and
2. State your intent to offer a new temporary price reduction and/or product deletion in the PL 102-585 submission email

We will not accept requests for new voluntary, temporary price reductions or product deletions submitted using the Public Law 102-585 2027 Pricing Update RFM package documents. These separate modification requests should be submitted with PL pricing updates modification requests but will be completed as separate modification requests. Access the applicable 65IB RFM forms online: http://www.va.gov/oal/business/fss/modforms.asp.

Product Deletions

We will only agree to deleted covered drugs from your FSS contract when all stock of the product has been completely depleted from inventory and the Government prime vendor distribution network. We will no longer delete products based on an expected expiration dating or anticipated depletion date. There must be zero products available in the aforementioned supply chain before a product deletion modification request will be considered.

To reiterate, the properly-completed 2027 PL pricing update RFM and related documentation must be submitted to our new portal: AMMHIN.PL102585@va.gov by *November 20, 2026* to guarantee an effective date of January 1, 2027.

If you have any questions or need additional information, please contact your assigned Public Law Contract Specialist.

We appreciate your cooperation in providing your request(s) to modify your current FSS contract and your updated Addendum A for the year 2027.

Sincerely,

DIANA LAWAL Digitally signed by DIANA LAWAL
Date: 2026.09.21 08:27:23 -05'00'

Diana Lawal
Chief, Acquisition Service 5 (FSS) Pharm-Dental Division B
Federal Supply Schedule Service

Enclosures: Pharmaceutical Pricing Agreement Addendum A 2027 Annual

[1] The terms *Temporary* and *Permanent* as used in this form do not refer to the FCP lifecycles provisional, temporary, or permanent.