

### **Attachment 3**

#### **ARKANSAS METHODOLOGY FOR DETERMINING PARTIAL REDEMPTIONS**

The process used to determine potential partial redemptions begins with a monthly report listing all Food Instruments (FI's) that were redeemed the previous month at a cost of less than 65% of the maximum allowed for the FI type. Each FI identified is reviewed by the Food Delivery/Vendor Section staff to determine if the amount is correct.

The result of this analysis indicates the number of units to subtract from the rebate bill for each contract brand, form and size of the infant formula.

The file (listing all FI's with formula) is sent to Mead Johnson monthly for their analysis.