

# **Table of Contents**

**State/Territory: Alabama**

**State Plan Amendment (SPA) #: 23-0007**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop S2-14-26  
Baltimore, Maryland 21244-1850



**Center for Medicaid and CHIP Services**

**Medical Benefits and Health Programs Group**

September 7, 2023

Stephanie McGee Azar, Commissioner  
Alabama Medicaid Agency  
501 Dexter Avenue  
Post Office Box 5624  
Montgomery, AL 36103-5624

Dear Stephanie McGee Azar,

The CMS Division of Pharmacy team has reviewed Alabama's State Plan Amendment (SPA) 23-0007 received in the CMS Medicaid & CHIP Operations Group on June 30, 2023. This SPA proposes to update the state's Excluded Drug list, to include amending the language provisions for coverage of selective non-prescription covered outpatient drugs.

Based on the information provided and consistent with the regulations at 42 CFR 430.20, we are pleased to inform you that SPA 23-0007 is approved with an effective date of June 1, 2023. Our review was limited to the materials necessary to evaluate the SPA under applicable federal laws and regulations.

We are attaching a copy of the updated, signed CMS-179 form, as well as the page approved for incorporation into Alabama's state plan. If you have any questions regarding this amendment, please contact Terry Simananda at (410) 786-8144 or [terry.simananda@cms.hhs.gov](mailto:terry.simananda@cms.hhs.gov).

Sincerely,

A black rectangular redaction box covers the signature of Cynthia R. Denemark.

Cynthia R. Denemark, R.Ph.  
Director  
Division of Pharmacy

cc: Stephanie Lindsay, Alabama Medicaid Agency  
Lauren Ray, Alabama Medicaid Agency  
Rita Nimmons, CMS, AL Medicaid State Lead

<p><b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b> <b>FOR: CENTERS FOR MEDICARE &amp; MEDICAID SERVICES</b></p>	1. TRANSMITTAL NUMBER <u>2 3 - 0 0 0 7</u>	2. STATE <u>AL</u>
	3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT <input checked="" type="radio"/> XIX <input type="radio"/> XXI	
TO: CENTER DIRECTOR CENTERS FOR MEDICAID & CHIP SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE June 1, 2023	
5. FEDERAL STATUTE/REGULATION CITATION 42 CFR Section 447.15, 447.331 & Section 401, et seq.	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a FFY <u>2023</u> \$ <u>0</u> b FFY <u>2024</u> \$ <u>0</u>	
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT  Attachment 3.1-A page 5.12.1  Attachment 3.1-A page 5.12	8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)  Attachment 3.1-A page 5.12.1  Attachment 3.1-A page 5.12	

9. SUBJECT OF AMENDMENT  
This amendment will clarify over the counter coverage through outpatient pharmacy.

10. GOVERNOR'S REVIEW (Check One)

GOVERNOR'S OFFICE REPORTED NO COMMENT  
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED  
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

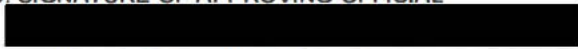
OTHER, AS SPECIFIED: Governor's designee on file via letter with CMS

<p>Stephanie McGee Azar</p> <p>13. TITLE Commissioner</p> <p>14. DATE SUBMITTED <u>6.30.23</u></p>	<p>15. RETURN TO Stephanie McGee Azar Commissioner Alabama Medicaid Agency 501 Dexter Avenue Post Office Box 5624 Montgomery, Alabama 36103-5624</p>
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**FOR CMS USE ONLY**

16. DATE RECEIVED 6/30/2023	17. DATE APPROVED 9/07/2023
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**PLAN APPROVED - ONE COPY ATTACHED**

18. EFFECTIVE DATE OF APPROVED MATERIAL 6/1/2023	19. SIGNATURE OF APPROVING OFFICIAL 
20. TYPED NAME OF APPROVING OFFICIAL Cynthia R. Denmark, R.Ph.	21. TITLE OF APPROVING OFFICIAL Director, Division of Pharmacy

22. REMARKS

**8/8/2023 — State authorized P&I change to box 7 and 8**

Limitation of Services

12. **Prescribed drugs, dentures, and prosthetic devices; and eyeglasses prescribed by a physician skilled in diseases of the eye or by an optometrist.**

a. **Prescribed Drugs**

12. **Effective Date: 07/01/91**

(1) **General Coverage**

Medicaid covers only drugs of participating manufacturers which have entered into and comply with an agreement under Section 1927(a) of the Act which are prescribed for a medically accepted condition. Because of an extenuating circumstance waiver, drugs were covered from non-participating manufacturers through 3-31-91. Single source or innovator multiple source drugs classified by the Food and Drug Administration as 1A are covered if a rebate agreement has not been signed with the manufacturer if the state has made a determination that the availability of the drug is essential to the health of beneficiaries under the State Plan for Medical Assistance and the physician has requested and received prior approval in advance of its dispensing..

**Effective Date: 01/01/06**

- (2) Medicaid will not cover any Part D drug for full-benefit dual eligible individuals who are entitled to receive Medicare benefits under Part A or Part B.

Medicaid provides coverage, for all pharmacy eligible Medicaid recipients, including full-benefit dual eligible beneficiaries under the Medicare Prescription Drug Benefit (Part D), for the following excluded or otherwise restricted drugs or classes of drugs, or their medical uses – with the exception of those covered by Part D plans as supplemental benefits through enhanced alternative coverage as provided in 42 CFR 423.104 (f) (1) (ii) (A).

**Excluded Drugs**

The following outpatient drugs or classes of drugs, or their medical uses are excluded from coverage or otherwise restricted, unless noted:

- (a) Agents when used for anorexia, weight loss, or weight gain except for those specified by the Alabama Medicaid Agency.
- Selective covered outpatient drugs for all eligible beneficiaries will be covered as listed on the state's website.
- (b) Agents when used to promote fertility except for those specified by the Alabama Medicaid Agency.
- Selective covered outpatient drugs for all eligible beneficiaries will be covered as listed on the state's website.

**Effective Date: 10/01/13**

- (c) Agents when used for the symptomatic relief of cough and cold.

Limitation of Services

12. **Prescribed drugs, dentures, and prosthetic devices; and eyeglasses prescribed by a physician skilled in diseases of the eye or by an optometrist.**

a. **Prescribed Drugs**

- (d) Prescription vitamins and mineral products, except prenatal vitamins and fluoride preparations and others as specified by the Alabama Medicaid Agency.
  - Selective covered outpatient drugs for all eligible beneficiaries will be covered as listed on the state's website.
- (e) Selective non-prescription covered outpatient drugs for all eligible beneficiaries will be covered as listed on the state's website.
- (f) Covered outpatient drugs which the manufacturer seeks to require as a condition of sale that associated tests or monitoring services be purchased exclusively from the manufacturer or its designee.