

## **Table of Contents**

**State/Territory Name: Nevada**

**State Plan Amendment (SPA)#: 23-0005**

This file contains the following documents in the order listed

- 1) Approval Letter
- 2) CMS 179 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**  
**Disabled and Elderly Health Programs Group**

---

May 23, 2023

Stacie Weeks, JD, MPH  
Administrator, Nevada Department of Health and Human Services  
Division of Health Care Financing and Policy  
1100 East William Street  
Suite 101  
Carson City, NV 89701

Dear Stacie Weeks,

The CMS Division of Pharmacy team has reviewed Nevada's State Plan Amendment (SPA) 23-0005 received in the CMS Medicaid & CHIP Operations Group on March 30, 2023. This SPA proposes to update the reimbursement methodology for physician administered drugs (PAD) to include the Nevada Medicaid's PAD fee schedule.

In keeping with the requirements of section 1902 (a)(30)(A) of the Social Security Act, we believe the state has demonstrated that their reimbursement is consistent with efficiency, economy, and quality of care, and are sufficient to ensure that care and services are available to Medicaid beneficiaries at least to the extent they are available to the general population in the geographic area. We believe that there is evidence regarding the sufficiency of Nevada's pharmacy provider network at this time to approve SPA 23-0005. Specifically, Nevada has reported to CMS that 494 of the state's 511 licensed in-state retail pharmacies are enrolled in Nevada's Medicaid program. With a 96 percent participation rate, we can infer that Nevada's beneficiaries will have access to pharmacy services at least to the extent available to the general population since Medicaid requires that beneficiaries be provided access to all covered outpatient drugs of participating drug manufacturers with a rebate agreement through a broad pharmacy network. In contrast, commercial insurers often have more limited drug formularies and a more limited pharmacy network.

Based on the information provided and consistent with the regulations at 42 CFR 430.20, we are pleased to inform you that NV-23-0005 is approved with an effective date of July 1, 2023. We are attaching a copy of the signed, revised CMS-179 form, as well as the page approved for incorporation into Nevada's state plan.

If you have any questions regarding this request, please contact Michael Forman at 410-786-2666 or [michael.forman@cms.hhs.gov](mailto:michael.forman@cms.hhs.gov).

Sincerely,



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

cc: Richard Whitley, Nevada Division of Health Care Financing and Policy  
Sandi Ruybalid, Nevada Division of Health Care Financing and Policy  
Jenifer Graham, Nevada Division of Health Care Financing and Policy  
Antonio Gudino-Vargas, Nevada Division of Health Care Financing and Policy  
Kindra Berntson, Nevada Division of Health Care Financing and Policy  
David Olsen, Nevada Division of Health Care Financing and Policy  
Brian Zolynas, CMS, Medicaid & CHIP Operations Group  
Cynthia Lemesh, CMS, Medicaid & CHIP Operations Group

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b> <b>FOR: CENTERS FOR MEDICARE &amp; MEDICAID SERVICES</b>		1. TRANSMITTAL NUMBER <u>2 3 0 0 0 5</u>	2. STATE <u>NV</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 <p style="text-align: center; color: blue;">July 1st, 2023</p>	
5. FEDERAL STATUTE/REGULATION CITATION State Plan Under Title XIX of the SSA: 42 CFR 447		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 4.19B Page <del>3&amp;3</del> (Continued)		8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Attachment 4.19B page <del>3&amp;3</del> (Continued)	
9. SUBJECT OF AMENDMENT Payment for Physician Administered Drugs (PADs)			
10. GOVERNOR'S REVIEW (Check One) <input type="radio"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="radio"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input checked="" type="radio"/> OTHER, AS SPECIFIED:			
[Redacted]		15. RETURN TO Sandie Ruybalid, Deputy Administrator DHCFP/Medicaid 1100 East William Street, Suite 101 Carson City, NV 89701	
12. TYPED NAME RICHARD WHITLEY		[Redacted Signature]	
13. TITLE DIRECTOR, DHHS			
14. DATE SUBMITTED March 30, 2023			
<b>FOR CMS USE ONLY</b>			
16. DATE RECEIVED      March 30, 2023		17. DATE APPROVED      May 23, 2023	
<b>PLAN APPROVED - ONE COPY ATTACHED</b>			
18. EFFECTIVE DATE OF APPROVED MATERIAL July 1, 2023		19. SIGNATURE OF APPROVING OFFICIAL	
20. TYPED NAME OF APPROVING OFFICIAL Cynthia R. Denmark R.Ph.		21. TITLE OF APPROVING OFFICIAL Acting Director, Division of Pharmacy	
22. REMARKS <p style="color: red;">On 5/4/23, Pen and Ink changes made with the state's permission to:</p> <p style="color: red;">1. Box 7 to remove reference to Page 3</p> <p style="color: red;">2. Box 8 to remove reference to Page 3</p>			

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Nevada

Attachment 4.19-B  
Page 3 (Continued)

9. For drugs acquired at a nominal price (outside of 340B or FSS), the ingredient cost reimbursement is based on AAC plus a professional dispensing fee of \$10.17 per prescription.
10. Providers that are approved to be reimbursed through an encounter rate(s) meet AAC requirements.
11. For drugs (such as specialty drugs) not distributed by a retail community pharmacy, and distributed primarily through the mail, the ingredient cost reimbursement is based on AAC plus a professional dispensing fee of \$10.17 per prescription.
12. For drugs (such as a long-term care facility drugs) not distributed by a retail community pharmacy, the ingredient cost reimbursement will be based on AAC plus a professional dispensing fee of \$10.17 per prescription.
13. Payment for Physician Administered Drugs (PADs) is limited to the lesser of the current outpatient drug reimbursement logic or Nevada Medicaid's PAD fee schedule.
  - a. No dispensing fee is paid for a PAD.
  - b. For 340B PADs, the ingredient cost reimbursement will be the lowest of (a) AAC or (b) 340B ceiling price.
14. For clotting factor drugs, ingredient cost reimbursement will be the lowest of AAC plus a professional dispensing fee of \$10.17 per prescription, or the pharmacist's usual and customary charge.
  - a. For clotting factor drugs provided by 340B entities, the ingredient cost reimbursement will be the lowest of (a) AAC, or (b) 340B ceiling price, plus a professional dispensing fee of \$10.17 per prescription.
15. Out-of-state providers will be reimbursed a professional dispensing fee of \$10.17 per prescription.
16. The state of Nevada does not cover investigational drugs.