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State/Territory Name: Ohio

State Plan Amendment (SPA) #: OH-23-0021

This file contains the following documents in the order listed:

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

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

October 25, 2023

Maureen M. Corcoran, Director
Ohio Department of Medicaid
P.O. Box 182709
50 West Town Street, Suite 400
Columbus, Ohio 43218

Dear Maureen M. Corcoran,

The CMS Division of Pharmacy team has reviewed Ohio's State Plan Amendment (SPA) 23-0021 received in the CMS Medicaid & CHIP Operations Group on August 28, 2023. This SPA proposes to amend Attachment 3.1-A to reflect updates to the "Ohio Department of Medicaid Supplemental Rebate Agreement" template. This agreement is between pharmaceutical manufacturers and the state, and governs supplemental rebates for medications dispensed to Medicaid recipients.

Based on the information provided and consistent with the regulations at 42 CFR 430.20, we are pleased to inform you that SPA 23-0021 is approved with an effective date of November 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 signed CMS-179 form, as well as the page approved for incorporation into Ohio's state plan. If you have any questions regarding this amendment, please contact Omar Alemi at (720) 853-2724 or omar.alemi@cms.hhs.gov.

Sincerely,



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

cc: Rebecca Jackson, Ohio Department of Medicaid
Gregory Niehoff, Ohio Department of Medicaid
Tamara Edwards, Ohio Department of Medicaid
Christine Davidson, CMS, Ohio State Lead

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER
2 3 — 0 2 1

2. STATE
OH

3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT XIX XXI

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
November 1, 2023

5. FEDERAL STATUTE/REGULATION CITATION
42 CFR 440, 441, and 447; 42 U.S.C.1396r-8

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY 2024 \$ 0
b. FFY 2025 \$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
Attachment 3.1-A, Item 12-a, Page 1

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)
Attachment 3.1-A, Item 12-a, Page 1 (TN 22-033)

9. SUBJECT OF AMENDMENT

Coverage and Limitations: Prescribed drugs: (Supplemental Rebates)


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:
The State Medicaid Director is the Governor's designee

11. SIGNATURE OF STATE AGENCY OFFICIAL


12. TYPED NAME **MAUREEN M. CORCORAN**

13. TITLE **STATE MEDICAID DIRECTOR**

14. DATE SUBMITTED
August 28, 2023

15. RETURN TO

**Greg Niehoff
Ohio Department of Medicaid
P.O. BOX 182709
Columbus, Ohio 43218**

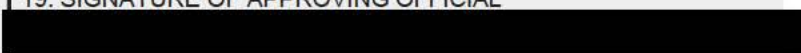
FOR CMS USE ONLY

16. DATE RECEIVED **8/28/2023**

17. DATE APPROVED **10/25/2023**

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
11/01/2023

19. SIGNATURE OF APPROVING OFFICIAL


20. TYPED NAME OF APPROVING OFFICIAL
Cynthia R. Denemark, R.Ph.

21. TITLE OF APPROVING OFFICIAL
Director, Division of Pharmacy

22. REMARKS

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

Coverage of prescribed drugs meets all reporting requirements and provisions of section 1927 of the Social Security Act, including the following requirements as found in Section 1927(d)(5) of the Act:

The prior authorization program provides a response by telephone or other telecommunication device within 24 hours of a request.

The prior authorization program provides for the dispensing of at least a 72-hour supply of a covered drug in an emergency situation.

PREFERRED DRUG LIST

Pursuant to 42 U.S.C. Section 1396r-8 the state is establishing a preferred drug list with prior authorization for drugs not included on the preferred drug list. Prior authorization may be established for certain drug classes, particular drugs or medically accepted indication for uses or doses. Effective October 1, 2022, the Single Pharmacy Benefit Manager (SPBM) contracted with the Ohio Department of Medicaid (ODM) will follow the preferred drug list established by ODM.

SUPPLEMENTAL REBATES

Based on the requirements in Section 1927 of the Social Security Act, the state has the following policies for the supplemental rebate program for Medicaid recipients:

Supplemental rebates will be accepted from manufacturers according to the supplemental drug-rebate agreement. Supplemental rebates received pursuant to these agreements are only for the Medicaid program and will be collected from manufacturers based on drug utilization for both fee-for-service and managed care entity participants.

All drugs covered by the program, irrespective of the requirement to be prior authorized, will comply with the provisions of the national drug rebate agreement.

CMS has authorized Ohio to enter into “the Sovereign States Drug Consortium (SSDC)” Medicaid multi-state purchasing pool. The updated “Ohio Medicaid Supplemental Rebate Agreement” between the State and participating manufacturers for drugs provided to the Medicaid program, submitted to CMS on August 28, 2023 supersedes the “Ohio Supplemental Drug Rebate Agreement” approved in OH SPA TN 22-033. CMS has authorized the updated agreement. The updated agreement applies to drugs dispensed effective January 1, 2024.

The unit rebate amount is confidential and cannot be disclosed in accordance with Section 1927(b)(3)(d) of the Social Security Act.

Supplemental drug rebates received under this agreement by the state that are in excess of those required under the National Drug Rebate Agreement will be shared with the federal government on the percentage basis required by law.