State Kentucky
Attachment 3.1 -A
Page 7.5.2(a)

- (b) CMS has authorized Kentucky's collection of supplemental rebates through the MMSPA.
- (c) Supplemental rebates received by the State in excess of those required under the national drug rebate agreement will be shared with the Federal Government on the same percentage basis as applied under the national drug rebate agreement.
- (d) All drugs covered by the program, irrespective of a supplemental rebate agreement, will comply with the provision of the national drug rebate agreement.
- (e) Any contracts not authorized by CMS will be submitted for CMS approval in the future.
- (f) As specified in Section 1927(b)(3)(D) of the Act, not withstanding any other provisions of law, rebate information disclosed by a manufacturer shall not be disclosed by the state for purposes other than rebate invoicing and verification.

(9) Tobacco Cessation

(a) Prescription drugs

The state will provide coverage for tobacco cessation drugs that require a prescription if prescribed by a Medicaid enrolled provider authorized to prescribe drugs. Coverage will be limited to two (2) three (3) month supplies of tobacco cessation prescription drugs in a calendar year. Prior authorization is required.

(b) Over-the-counter drugs

The state will provide coverage for over-the-counter tobacco cessation products if prescribed by a Medicaid enrolled provider authorized to prescribe drugs. Coverage will be limited to two (2) three (3) month supplies of over-the-counter tobacco cessation drugs in a calendar year. Prior authorization is required.

(10) Behavioral Pharmacy Management Program

- (a) CMS has authorized the state of Kentucky to enter into a contract with Comprehensive NeuroScience, Inc. (CNS), and Eli Lilly and Company (Lilly). This contract, titled "Agreement By and Among Kentucky Department for Medicaid Services, Comprehensive NeuroScience, Inc., and Eli Lilly and Company," was submitted to CMS September 5, 2006.
- (b) Under the Agreement, Lilly will forward funds to CNS to set up and conduct a two-year Behavioral Pharmacy Management Program for the Medicaid fee for service program. CNS will utilize data to identify use of behavioral drugs that are not in line with best practices and consult with the provider. This funding will be considered in lieu of a supplemental rate and be considered as such in Kentucky's economic evaluation of the atypical antipsychotic therapeutic class for Preferred Drug List consideration. Kentucky will accept CNS services in lieu of the supplemental rebate. Kentucky will also provide data to CNS only for the purposes of these services.
- (c) All drugs covered by the program, irrespective of a supplemental rebate agreement, will comply with the provision of the national drug rebate agreement.
- (d) Any contracts not authorized by CMS will be submitted for CMS approval in the future.
- (e) As specified in section 1927(b)(3)(D) of the Act, not withstanding any other provision of law, rebate information disclosed by a manufacturer shall not be disclosed by the State for purposes other than rebate invoicing and verification.

TN No.: 10-008 Supersedes

TN No.: <u>06-016</u> Approval Date: <u>12-22-10</u> Effective Date: <u>October 1, 2010</u>