

## **Table of Contents**

**State/Territory Name: Minnesota**

**State Plan Amendment (SPA) #: 17-0004**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 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**

April 12, 2017

Ms. Ann Berg  
Deputy Medicaid Director  
Minnesota Department of Human Services  
P.O. Box 64998  
St. Paul, MN 55164-0998

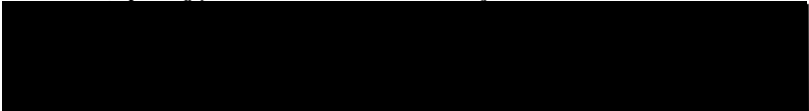
Dear Ms. Berg:

We have reviewed Minnesota's State Plan Amendment (SPA) 17-0004, Prescribed Drugs, received in the Chicago Regional Office on February 2, 2017. This amendment proposes to update the state plan to include utilization from participating MCOs for supplemental drug rebates for direct-acting antivirals for the treatment of hepatitis C.

Based on the information provided, we are pleased to inform you that, consistent with the regulations at 42 CFR 430.20, SPA 17-0004 is approved with an effective date of January 1, 2017. A copy of the signed CMS-179 form, as revised, as well as the pages approved for incorporation into the Minnesota state plan will be forwarded by the Chicago Regional Office.

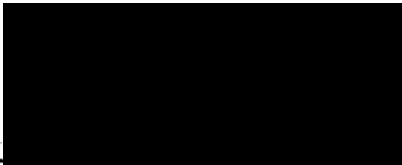
If you have any questions regarding this amendment, please contact Lisa Ferrandi at (410) 786-5445 or [lisa.ferrandi@cms.hhs.gov](mailto:lisa.ferrandi@cms.hhs.gov).

Sincerely,



Meagan T. Khau  
Deputy Director  
Division of Pharmacy

CC: Ruth Hughes, ARA, CMS, Chicago Regional Office  
Sandra Porter, CMS, Chicago Regional Office  
Sean Barrett, Minnesota Department of Human Services

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTER FOR MEDICARE &amp; MEDICAID SERVICES</b>		1. TRANSMITTAL NUMBER:  17-04	2. STATE  Minnesota
TO: REGIONAL ADMINISTRATOR CENTER FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
5. TYPE OF PLAN MATERIAL ( <i>Check One</i> ):  <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT ( <i>Separate Transmittal for each amendment</i> )		4. PROPOSED EFFECTIVE DATE  January 1, 2017	
6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR § 440.120(a)	7. FEDERAL BUDGET IMPACT: a. FFY '17 \$0 b. FFY '18 \$0		
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 3.1-A, 46f Attachment 3.1-B, 45f	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT ( <i>If Applicable</i> ): Same		
10. SUBJECT OF AMENDMENT: Pharmacy: Multi-state Pooling Agreement			
11. GOVERNOR'S REVIEW ( <i>Check One</i> ): <input checked="" type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: Sean Barrett Minnesota Department of Human Services Federal Relations Unit PO Box 64983 St. Paul, MN 55164-0983	
13. TYPED NAME: Ann Berg			
14. TITLE: Deputy Medicaid Director			
15. DATE SUBMITTED: February 2, 2017			
<b>FOR REGIONAL OFFICE USE ONLY</b>			
17. DATE RECEIVED: February 2, 2017		18. DATE APPROVED: April 12, 2017	
<b>PLAN APPROVED - ONE COPY ATTACHED</b>			
19. EFFECTIVE DATE OF APPROVED MATERIAL: January 1, 2017		20. SIGNATURE OF REGIONAL OFFICIAL:  /s/	
21. TYPED NAME: Ruth A. Hughes		22. TITLE: Associate Regional Administrator	
23. REMARKS:			

STATE: MINNESOTA

ATTACHMENT 3.1-A

Effective: January 1, 2017

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TN: 17-04

Approved: 4-12-17

Supersedes: 13-10 (13-02, 12-19, 08-01, 05-09, 04-09, 03-36)

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12.a. Prescribed drugs. (continued)

**Prior Authorization:**

A. The following requirements, found in §1927(d)(5) of the Act, are met:

- 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 (except for those drugs that are excluded or restricted from coverage, as noted above).

B. Prior authorization, for a period of not more than 180 days, may automatically be required for drugs approved by the FDA on or after July 1, 2005. The 180-day period begins no later than the first day that a drug is available for shipment to pharmacies within Minnesota. The Department's Drug Formulary Committee will establish general authorization criteria to be used during the 180-day period.

C. Based on the requirements in §1927, the State has the following policies for the supplemental drug rebate program for Medicaid recipients:

1. CMS has authorized the State of Minnesota to enter into the Michigan Multi-State Pooling Agreement (MMSPA) also referred to as the National Medicaid Pooling Initiative (NMPI) for drugs provided to Medicaid beneficiaries. The NMPI Supplemental Rebate Agreement (SRA) and the amendment to the SRA submitted to CMS on April 30, 2004 have been authorized for pharmaceutical manufacturers' existing agreements through their current expiration dates. The updated NMPI SRA effective for January 1, 2017, has been authorized for renewal and new agreements with pharmaceutical manufacturers for drugs provided to Medicaid beneficiaries.
2. Supplemental drug 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.
3. Manufacturers with supplemental rebate agreements are allowed to audit utilization data.

STATE: MINNESOTA

ATTACHMENT 3.1-B

Effective: January 1, 2017

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TN: 17-04

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