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State/Territory Name: Mississippi

State Plan Amendment (SPA) #: 12-007

This file contains the following documents in the order listed:

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Atlanta Regional Office
61 Forsyth Street, Suite 4T20
Atlanta, Georgia 30303

DIVISION OF MEDICAID & CHILDREN'S HEALTH OPERATIONS

December 6, 2012

David J. Dzielak, Ph.D.
Executive Director
Division of Medicaid, Office of the Governor
550 High Street, Suite 1000
Jackson, Mississippi 39201

Re: Mississippi State Plan Amendment (SPA), Transmittal # MS 12-007

Dear Dr. Dzielak:

This is to affirm approval of the above referenced State Plan Amendment which was submitted to the Regional Office on September 7, 2012. The State's requested effective date of July 1, 2012 has been accepted.

Enclosed for your records are:

1. a copy of the approval letter dated November 30, 2012 that was submitted to the State by Larry Reed, Director, Division of Pharmacy;

2. the original signed 179; and

3. the approved plan page.

If you have any additional questions regarding this amendment, please contact Carolyn Brown, State Coordinator for Mississippi, at 404-562-7421.

Sincerely,

//s//

Jackie Glaze
Associate Regional Administrator
Division of Medicaid & Children's Health Operations

Enclosure(s)

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 & Elderly Health Programs Group

November 30, 2012

David J. Dzielak, Ph.D., Director
Mississippi Division of Medicaid
550 High Street, Suite 1000
Jackson, Mississippi 39201-1399

Attention: Kristi Plotner

Dear Dr. Dzielak:

We are pleased to inform you that the Mississippi State plan amendment (SPA) 2012-007 received in the Atlanta Regional Office of the Centers for Medicare and Medicaid Services (CMS) on September 7, 2012 is approved, effective July 1, 2012. Under this amendment, the State of Mississippi enters into the multi-state supplemental rebate agreement for "The Sovereign States Drug Consortium (SSDC) Medicaid Multi-State Purchasing Pool." This SPA allows the state to negotiate supplemental rebates for Medicaid covered outpatient prescription drugs to Mississippi beneficiaries using the Mississippi Medicaid Supplemental Drug Rebate Agreement and the Sovereign States Drug Addendum to the Member States' Agreements.

Based upon the information provided, we believe this amendment is consistent with the objectives of the Medicaid program, is designed to increase its efficiency and economy and benefits Medicaid beneficiaries. Approval of Mississippi SPA 2012-007 extends only to the Mississippi SRA template, attachments and the SSDC Member States' Addendum to the SRA submitted to CMS on September 7, 2012. If changes are subsequently made to the SRA or its attachments, a new SPA and any required documents should be submitted to CMS for review and authorization.

The Atlanta Regional Office will forward to you a copy of the CMS-179 form, as well as the pages approved for incorporation into the Mississippi Medicaid State Plan. If you have any questions regarding this amendment, please contact Bernadette Leeds at (410) 786-9463.

Sincerely,

/s/
Larry Reed
Director
Division of Pharmacy

cc: Jackie Glaze, ARA Atlanta Regional Office
Carolyn Brown, Atlanta Regional Office
Mary Holly, Atlanta Regional Office
Margaret Wilson, Mississippi Division of Medicaid
Judith Clark, Mississippi Division of Medicaid

DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE AND MEDICAID SERVICES

FORM APPROVED
OMB NO. 0938-0193

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL **FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES**	1. TRANSMITTAL NUMBER: **2012-007**	2. STATE **MS**
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTER FOR MEDICARE AND MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE **07/01/2012**	

5. TYPE OF PLAN MATERIAL *(Check One)*:

☐ NEW STATE PLAN ☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN ☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT *(Separate Transmittal for each amendment)*

6. FEDERAL STATUTE/REGULATION CITATION: **Section 127 Social Security Act**	7. FEDERAL BUDGET IMPACT: a. **FFY 2013 ($1,440,000.00)** b. **FFY 2014 ($1,440,000.00)**
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: **Attachment 3.1-A Exhibit 12a Page 3** **Attachment 3.1-A Exhibit 12a Page 4**	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If Applicable)*: **Attachment 3.1-A Exhibit 12a Page 3** **Attachment 3.1-A Exhibit 12a Page 4**

10. SUBJECT OF AMENDMENT: This SPA is being submitted to allow DOM to join into a multistate pooling consortium to increase supplemental rebates from pharmaceutical manufacturers. This SPA is also a technical change deleting redundant information on Attachment 3.1-A page 4 and deleting specific exceptions to the Preferred Drug List (PDL) as this information is best identified in the routinely published criteria for exceptions in the PDL. In this way changes in product information and clinical practice can be quickly addressed assuring prescribers and beneficiaries fully understand the conditions of coverage at any given time.

11. 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:

12. SIGNATURE OF STATE AGENCY OFFICIAL: /s/	16. RETURN TO: **David J. Dzielak, Ph.D.** **Miss. Division of Medicaid** **Attn: Kristi Plotner** **550 High Street, Suite 1000** **Jackson, MS 39201-1399**
13. TYPED NAME: **David J. Dzielak, Ph.D.**	
14. TITLE: **Executive Director**	
15. DATE SUBMITTED: 09/07/12	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: 09/07/12	18. DATE APPROVED: 11/30/12
PLAN APPROVED – ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL: 07/01/12	20. SIGNATURE OF REGIONAL OFFICIAL: //s//
21. TYPED NAME: Jackie Glaze	22. TITLE: Associate Regional Administrator Division of Medicaid & Children Health Opns

23. REMARKS

Approved with the following changes to item 6 and 7 as authorized by state agency email dated 11/15/12:

Block #6 changed to read: Section 1927 Social Security Act.

Block #7a and 7b changed to read: 7a FFY 12 ($360,000); FFY 2013 ($1,400,000)

State of Mississippi

DESCRIPTIONS OF LIMITATIONS AS TO AMOUNT, DURATION AND SCOPE OF MEDICAL CARE AND SERVICE PROVIDED

Supplemental Rebate Agreements and Preferred Drug Lists:

In accordance with Section 1927 of the Social Security Act, the state has established a preferred drug list (PDL).

The state, or the state in consultation with the Sovereign States Drug Consortium, may negotiate supplemental rebate agreements that would reclassify any drug not designated as preferred in the baseline listing for as long as the agreement is in effect. A rebate agreement between the state and a drug manufacturer for drugs provided to the Medicaid program, submitted to the Centers for Medicare & Medicaid Services (CMS) on December 27, 2005 and entitled, "State of Mississippi Supplemental Rebate Agreement", has been authorized by CMS. CMS authorized the State of Mississippi to enter into the "Sovereign States Drug Consortium (SSDC)" multi-state purchasing pool. The supplemental rebate agreement submitted to CMS on September 7, 2012, entitled, "State of Mississippi Supplemental Rebate Agreement", has been authorized by CMS.

An Agreement may not be amended or modified without the authorization of CMS.

Based on the requirements for Section 1927 of the Act, the Division of Medicaid will comply with the following policies for drug rebate agreements:

- The drug file permits coverage of participating manufacturers' drugs.
- The Division of Medicaid may require prior authorization for covered outpatient drugs. Non-preferred drugs are available with prior authorization.
- The prior authorization process for covered outpatient drugs will conform to the provisions of section 1927 (d) (5) of the Social Security Act.
- The Division of Medicaid will comply with the drug reporting requirements for state utilization information and restriction to coverage.
- Supplemental rebate agreement between the DOM and a pharmaceutical manufacturer will be separate from federal rebates and are in excess of those required under the national drug rebate agreement.
- The state agrees to report all rebates from manufacturers to the Secretary for Health and Human Services. The state will remit the federal portion of any state supplemental rebates collected.
- The Division of Medicaid will allow all participating manufacturers to audit utilization data.
- The unit rebate amount will be held confidential and will not be disclosed for purposes other than rebate invoicing and verification.

DESCRIPTIONS OF LIMITATIONS AS TO AMOUNT, DURATION AND SCOPE OF MEDICAL CARE AND SERVICES PROVIDED.

Preferred Drug List: The Preferred Drug List (PDL) is a list of drugs, which have been reviewed and recommended by the Pharmacy and Therapeutics (P&T) Committee, a group of physicians, pharmacists, and nurse practitioners, and approved by the Executive Director of the Division of Medicaid.

The Preferred Drug List contains a wide range of generic and preferred brand name products that have been approved by the FDA. A medication becomes a preferred drug based first on safety and efficacy, then on cost-effectiveness. Drugs on the PDL are as effective as non-preferred drugs, but offer economic benefits for the beneficiaries and the State of Mississippi.

Drugs must be prescribed and dispensed in accordance with medically accepted indications for uses and dosages. No payment will be made under the Medicaid program for services, procedures, supplies or drugs which are still in clinical trials and/or investigative or experimental in nature.