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State/Territory Name: North Carolina

State Plan Amendment (SPA) #: 14-011

This file contains the following documents in the order listed:

- 1) RO Follow-Up Approval Letter
- 2) Pharmacy Approval Letter
- 3) CMS 179 Form
- 4) Approved SPA Pages

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

June 3, 2014

Sandra D. Terrell, M.S., R.N.
Chief Operating Officer
Division of Medical Assistance
North Carolina Department of Health and Human Services
2501 Mail Service Center
Raleigh, NC 27699-2501

Attention: Teresa Smith

RE: North Carolina State Plan Amendment, Transmittal #14-011

Dear Ms. Terrell:

This is to affirm approval of the above referenced State Plan Amendment which was submitted to the Regional Office on March 31, 2014. The State's requested effective date of January 1, 2014 has been accepted.

Enclosed for your records are:

1. a copy of the approval letter dated May 29, 2014 that was submitted to the State by Joseph Fine, Acting 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 Elaine Elmore, State Coordinator for North Carolina, at 404-562-7408.

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



Disabled & Elderly Health Programs Group

May 29, 2014

Aldona Z. Wos, MD
Secretary
Office of the Secretary
Department of Health and Human Services
2001 Mail Service Center
Raleigh, NC 27699-20014

Dear Dr. Wos:

We have reviewed North Carolina State Plan Amendment (SPA) 14-011, Prescribed Drugs, received in the Atlanta Regional Office on March 24, 2014. This amendment proposes to remove barbiturates, benzodiazepines, and agents used to promote smoking cessation from the list of drugs the state Medicaid program may exclude from coverage or otherwise restrict in order to comply with the requirements of Section 2502(a) of the Affordable Care Act.

Based on the information provided, we are pleased to inform you that consistent with the regulations at 42 CFR 430.20, SPA 14-011 is approved with an effective date of January 1, 2014. A copy of the signed CMS-179 form, as revised, as well as the pages approved for incorporation into the North Carolina state plan will be forwarded by the Atlanta Regional Office.

If you have any questions regarding this SPA, please contact Jessica Walker at (410) 786-2457.

Sincerely,

/s/

Joseph L. Fine
Acting Director
Division of Pharmacy

cc: Jackie Glaze, ARA, Atlanta Regional Office
Elaine Elmore, Atlanta Regional Office

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL	1. TRANSMITTAL NUMBER: 14-011	2. STATE NC
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
FOR: HEALTH CARE FINANCING ADMINISTRATION		
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		
4. PROPOSED EFFECTIVE DATE January 1, 2014		

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: 1927[42 U.S.C. 1396r-8]	7. FEDERAL BUDGET IMPACT: a. FFY 2014 (\$125,015) b. FFY 2015 (\$175,181)
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8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 3.1-A.1, Page 14h and Attachment 3.1-B.1 Page 3	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>): Attachment 3.1-A.1, Page 14h and Attachment 3.1-B.1 Page 3
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10. SUBJECT OF AMENDMENT:

Tobacco Cessation (Removal of Barbs & Benz)

11. GOVERNOR'S REVIEW (*Check One*):

GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED: Secretary

COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL: //s//	16. RETURN TO: Office of the Secretary Department of Health and Human Services 2001 Mail Service Center Raleigh, NC 27699-20014
13. TYPED NAME: Aldona Z. Wos, M.D.	
14. TITLE: Secretary	
15. DATE SUBMITTED: 03/24/14	

FOR REGIONAL OFFICE USE ONLY	
17. DATE RECEIVED: 03/31/14	18. DATE APPROVED: 05/29/14

PLAN APPROVED – ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL: 01/01/14	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 as authorized by State Agency e-mail dated 04/24/14.

Blocked #6 changed to read: Social Security Act, Sections 1927(d)(2) and 1927(d)(7)

State Plan Under Title XIX of the Social Security Act
Medical Assistance Program
State: NORTH CAROLINA

Medicaid Program: Requirements Relating to Covered Outpatient Drugs for the Categorically Needy

12.a. PRESCRIBED DRUGS continued

Citation (s)	Provision (s)
USC 1927(d)(2) and 1935(d)(2)	(2) The following excluded drugs are not covered: (a) Agents when used for anorexia, weight loss, weight gain (b) Agents when used to promote fertility (c) Agents when used for cosmetic purposes or hair growth (d) Covered outpatient drugs which the manufacturer seeks to require as a condition of sale that associated tests or monitoring services be purchased exclusively from the manufacturer or its designee (e) Agents when used for the symptomatic relief of cough and colds. All legend products that contain expectorants or cough suppressants. Examples are: expectorant/antitussive combination, antihistamine/decongestant/antitussive combination, antihistamine/decongestant/expectorant combination, antihistamine/decongestant/expectorant/antitussive combination, antihistamine/expectorant combination, antihistamine/antitussive, antitussive/decongestant/analgesic/ expectorant, and antitussive/decongestant/analgesic. (f) All legend vitamins and mineral products, except prenatal vitamins and fluoride.

State Plan Under Title XIX of the Social Security Act
Medical Assistance Program
State: NORTH CAROLINA

Medicaid Program: Requirements Relating to Covered Outpatient Drugs for the Medically Needy

12.a. PRESCRIBED DRUGS *continued*

Citation (s)	Provision (s)
USC 1927(d)(2) and 1935(d)(2)	<p>The Medicaid agency provides coverage for the following excluded or otherwise restricted drugs or classes of drugs, or their medical uses to all Medicaid recipients, including full benefit dual eligible beneficiaries under the Medicare Prescription Drug Benefit – Part D.</p> <p>(1) The following excluded drugs are covered:</p> <p><input checked="" type="checkbox"/> (a) Non-prescription drugs</p> <p>North Carolina (NC) will only cover selected rebateable over the counter (OTC) products when not covered by the prescription drug plans (PDPs). Examples of OTC drugs covered are: Non-sedating antihistamines e.g. Loratadine OTC and Claritin OTC, proton pump inhibitors e.g. Prilosec OTC</p>