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State/Territory Name: OH

State Plan Amendment (SPA) #: 17-034

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

October 13, 2017

Ms. Barbara R. Sears
State Medicaid Director
Ohio Department of Medicaid
P.O. Box 182709
Columbus, OH 43218

Dear Ms. Sears:

We have reviewed Ohio's State Plan Amendment (SPA) 17-034, Prescribed Drugs, received in the Chicago Regional Office on September 11, 2017. This amendment proposes to update the state plan to include utilization from participating MCOs for supplemental drug rebates.

Based on the information provided, we are pleased to inform you that, consistent with the regulations at 42 CFR 430.20, SPA 17-034 is approved with an effective date of January 1, 2018. A copy of the signed CMS-179 form, as revised, as well as the pages approved for incorporation into the Ohio state plan will be forwarded by the Chicago Regional Office.


If you have any questions regarding this amendment, please contact Yolonda Williams at (410) 786-6618 or yolonda.williams@cms.hhs.gov.

Sincerely,

/s/

John M. Coster, Ph.D., R.Ph.
Director
Division of Pharmacy

CC: Ruth A. Hughes, ARA, CMS, Chicago Regional Office
Carolyn Humphrey, Ohio Department of Medicaid

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 17-034	2. STATE OHIO
FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE January 1, 2018	
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>)			
6. FEDERAL STATUTE/REGULATION CITATION: 42 U.S.C. Section 1396r-8		7. FEDERAL BUDGET IMPACT: a. FFY 2018 (\$33,289) thousands b. FFY 2019 (\$44,272) thousands	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 3.1-A, Item 12-a, Page 1		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>): Attachment 3.1-A, Item 12-a, Page 1 (TN 16-027)	
10. SUBJECT OF AMENDMENT: Prescribed Drugs: Updated Ohio Supplemental Rebate Agreement to include supplemental rebates for drugs covered by Medicaid managed care plans			
11. GOVERNOR'S REVIEW (<i>Check One</i>):			
<input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL		<input checked="" type="checkbox"/> OTHER, AS SPECIFIED: The State Medicaid Director is the Governor's designee	
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO:	
13. TYPED NAME: BARBARA R. SEARS		Carolyn Humphrey Ohio Department of Medicaid P.O. BOX 182709 Columbus, Ohio 43218	
14. TITLE: STATE MEDICAID DIRECTOR			
15. DATE SUBMITTED: September 11, 2017			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: September 11, 2017		18. DATE APPROVED: October 13, 2017	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: January 1, 2018		20. SIGNATURE OF REGIONAL OFFICIAL: <i>/s/</i>	
21. TYPED NAME: Ruth A. Hughes		22. TITLE: Associate Regional Administrator	
23. REMARKS:			

Instructions on Back

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 January 1, 2018, the Managed Care Plans contracted with the Ohio Department of Medicaid (ODM) will follow the single 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 plan 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 September 11, 2017 supersedes the “Ohio Supplemental Drug Rebate Agreement” approved in OH SPA TN16-027. CMS has authorized the updated agreement. The updated agreement applies to drugs dispensed effective January 1, 2018.

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.