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 21, 2013

Mr. Steven M. Costantino Secretary State of Rhode Island and Providence Plantations 57 Howard Avenue LP Building Cranston, Rhode Island 02920

Dear Mr. Costantino:

We have reviewed Rhode Island State Plan Amendment (SPA) 13-012, Prescribed Drugs, received in the Regional Office on September 18, 2013. This amendment proposes to revise the National Medicaid Pooling Initiative (NMPI) Supplemental Rebate Agreement (SRA) previously submitted to CMS on March 20, 2008 to include definitions and structural changes that would provide the option of including Medicaid managed care utilization for accrual of supplemental rebates. We are pleased to inform you that the amendment is approved effective October 1, 2013.

We believe that the Rhode Island NMPI SRA continues to be consistent with the objectives of the Medicaid program. Please note that this authorization extends only to the revised SRA, attachments and schedules included in this approval packet which will replace the current SRA packet submitted to CMS on March 20, 2008. Inclusion of the managed care organization (MCO) utilization under the Rhode Island NMPI SRA is optional and at the sole discretion of each member state.

If revisions are subsequently made to include MCO utilization for supplemental rebate collection or any other changes to the supplemental drug rebate agreement, attachments or schedules, all such documents should be submitted to CMS for review and approval. A separate SPA will be required if the state intends to exercise the option of including MCO utilization for supplemental rebates.

A copy of the CMS-179 form, as well as the pages approved for incorporation into the Rhode Island state plan will be forwarded to you by the Boston Regional Office. If you have any questions regarding this amendment, please contact Lisa Ferrandi at (410) 786-5445.

Sincerely,

/s/

Larry Reed Director Division of Pharmacy