

## **Table of Contents**

**State Name:** Virginia

**State Plan Amendment (SPA) #:** 11-09

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 Page

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
150 S. Independence Mall West  
Suite 216, The Public Ledger Building  
Philadelphia, Pennsylvania 19106-3499



Region III/Division of Medicaid and Children's Health Operations

SWIFT#082420114018

NOV 30 2011

Cynthia B. Jones, Director  
Department of Medical Assistance Services  
600 East Broad Street, #1300  
Richmond VA 23219

Dear Ms. Jones:

We have reviewed the Virginia State Plan Amendment (SPA) #11-09, which decreases the estimated acquisition cost (EAC) from average wholesale price (AWP) minus 10.25 percent to AWP minus 13.1 percent for dates of service beginning on July 1, 2011. The Pharmacy Team at the Centers for Medicare & Medicaid Services approved this SPA on November 2, 2011. The effective date of the SPA is July 1, 2011.

Enclosed are the approved State Plan page and the signed CMS-179 form.

If you have any questions regarding this amendment, please contact Melanie Benning at (215) 861-4267, or via e-mail at [melanie.benning@cms.hhs.gov](mailto:melanie.benning@cms.hhs.gov).

Sincerely,

/S/

*Francis McCullough*  
Acting Associate Regional Administrator

Enclosures

cc: Madlyn Kruh, CMS

Are you uninsured? Do you have a pre-existing condition? If so, you may be eligible for the new Pre-Existing Condition Insurance Plan. Call toll free 1-866-717-5826 (TTY 1-866-561-1604) or visit [www.pcip.gov](http://www.pcip.gov) and click on "Find Your State" to learn more.

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b> <b>FOR: CENTERS FOR MEDICARE &amp; MEDICAID SERVICES</b>	1. TRANSMITTAL NUMBER 1 1 0 9	2. STATE Virginia
	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 July 1, 2011	

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 42 CFR Part 440	7. FEDERAL BUDGET IMPACT a. FFY 2011 \$ (819,000.00) b. FFY 2012 \$ (927,000.00)
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attach. 4.19-B, Page 7.6 of 15	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Same page

10. SUBJECT OF AMENDMENT  
2011 Pharmacy Reimbursement Change

11. GOVERNOR'S REVIEW (Check One)

GOVERNOR'S OFFICE REPORTED NO COMMENT<sup>2011</sup>       OTHER, AS SPECIFIED  
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED  
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

Secretary of Health and Human Resources

12. SIGNATURE OF STATE AGENCY OFFICIAL /S/	16. RETURN TO Dept. of Medical Assistance Services 600 East Broad Street, #1300 Richmond VA 23219 Attn: Regulatory Coordinator
13. TYPED NAME Gregg A. Pane, MD, MPA	
14. TITLE Director	
15. DATE SUBMITTED 8/16/2011	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED 8/16/2011	18. DATE APPROVED 11/02/2011
PLAN APPROVED - ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL 7/1/2011	20. SIGNATURE OF REGIONAL OFFICIAL /S/
21. TYPED NAME Francis McCullough	22. TITLE Associate Regional Administrator Division of Medicaid and Children's Health Operations
23. REMARKS	



**STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT**

State of VIRGINIA

**METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATE-  
OTHER TYPES OF CARE**

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8. An EAC of AWP minus 13.1% shall become effective July 1, 2011.

The dispensing fee for brand name and generic drugs of \$3.75 shall remain in effect, creating payment methodology based on the previous algorithm (least of the subdivisions of this section) plus a dispensing fee where applicable.

TN No. 11-09  
Supersedes  
TN No. 10-07

Approval Date 11/02/2011

Effective Date 07-01-11