

Table of Contents

State/Territory Name: WI

State Plan Amendment (SPA) #: 13-010

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



Disabled & Elderly Health Programs Group

SEP 12 2013

Brett Davis, Administrator and Medicaid Director
Division of Health Care Access and Accountability
Wisconsin Department of Health Services
1 West Wilson Street
P.O. Box 309
Madison, Wisconsin 53701-0309

Dear Mr. Davis:

We have reviewed the Wisconsin State Plan Amendment (SPA) 13-010 received in the Chicago Regional Office on June 27, 2013. The State of Wisconsin proposes to continue participation in The Optimal PDL Solution (TOP\$), a multi-state pooling supplemental rebate agreement. The contract has been revised adding definitions and structural changes that provide the option of including Medicaid Managed Care Organization (MCO) utilization for accrual of supplemental rebates. Inclusion of the MCO population under the contract is optional and at the sole discretion of the State. Based on the information provided, we are pleased to inform you that SPA 13-010 is approved with an effective date of October 1, 2013.

A copy of the CMS-179 form, as well as the pages approved for incorporation into the state plan will be forwarded by the Chicago Regional Office. If you have any questions regarding this amendment, please contact Madlyn Kruh at (410) 786-3239.

Sincerely,

A black rectangular box redacting the signature of Larry Reed.

Larry Reed
Director
Division of Pharmacy

cc: Verlon Johnson, ARA, Chicago Regional Office
Charles Friedrich, Chicago Regional Office
Al Matano, Wisconsin Department of Health Services

DEPARTMENT OF HEALTH AND HUMAN SERVICES
HEALTH CARE FINANCING ADMINISTRATION

FORM APPROVED
OMB NO. 0938-0193

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

1. TRANSMITTAL NUMBER:
13-010

2. STATE
Wisconsin

FOR: HEALTH CARE FINANCING ADMINISTRATION

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
10/01/2013

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 447.334 Section 1902(a)

7. FEDERAL BUDGET IMPACT:

- a. FFY 2014 \$OK
- b. FFY 2015 \$OK

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 3.1-A Supplement 1 page 6b
Attachment 3.1-B Supplement 1 page 5b

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable):

Same
Same

10. SUBJECT OF AMENDMENT:

Multi-state pooling program for prescription drugs.

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:

Michelle Gauger

12. SIGNATURE OF STATE AGENCY OFFICIAL:

16. RETURN TO:

Brett Davis
State Medicaid Director
Division of Health Care Access and Accountability
1 W. Wilson St.
P.O. Box 309
Madison, WI 53701-0309

13. TYPED NAME:

Brett Davis

14. TITLE:

State Medicaid Director

15. DATE SUBMITTED:

June 27, 2013

17. DATE RECEIVED:

June 27, 2013

FOR REGIONAL OFFICE USE ONLY

18. DATE APPROVED:

September 12, 2013

19. EFFECTIVE DATE OF APPROVED MATERIAL:

10/1/13

PLAN APPROVED - ONE COPY ATTACHED

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:

Verlon Johnson

22. TITLE:

Associate Regional Administrator

23. REMARKS:

State Wisconsin

12.a. Prescribed drugs, continued.

6. Prior authorization programs for covered outpatient drugs provide for a response within 24 hours of a request for prior authorization and for the dispensing of a 72-hour supply of medications in emergency situations.
7. A drug use review program, including prospective and retrospective drug utilization review, has been implemented, in compliance with federal law.
8. Claims management is electronic, in compliance with federal law.
9. The state is in compliance with section 1927 of the Social Security Act. The state will cover drugs of manufacturers participating in the federal rebate program. The state is in compliance with reporting requirements for utilization and restrictions to coverage. Pharmaceutical manufacturers may audit utilization data. The unit rebate amount is confidential and may not be disclosed for purposes other than rebate invoicing and verification.
10. The state will participate in a multi-state pooling program that will negotiate supplemental rebates in addition to federal rebates provided for in Title XIX. This multi-state pooling program is known as the Optimal PDL Solution (TOP\$). TOP\$ rebate agreements will be separate from the federal rebates. TOP\$ supplemental rebates received by the state in excess of those required under the federal drug rebate agreement will be shared with the federal government on the same percentage basis as applied under the federal rebate agreement.
11. A TOP\$ rebate agreement for drugs provided to the Medicaid program, effective 10/01/2013, has been authorized by CMS.
12. Pursuant to 42 USC 1396r-8, the state is establishing a preferred drug list with prior authorization requirements for drugs not included on the preferred drug list.

State Wisconsin

12.a. Prescribed drugs, continued.

6. Prior authorization programs for covered outpatient drugs provide for a response within 24 hours of a request for prior authorization and for the dispensing of a 72-hour supply of medications in emergency situations.
7. A drug use review program, including prospective and retrospective drug utilization review, has been implemented, in compliance with federal law.
8. Claims management is electronic, in compliance with federal law.
9. The state is in compliance with section 1927 of the Social Security Act. The state will cover drugs of manufacturers participating in the federal rebate program. The state is in compliance with reporting requirements for utilization and restrictions to coverage. Pharmaceutical manufacturers may audit utilization data. The unit rebate amount is confidential and may not be disclosed for purposes other than rebate invoicing and verification.
10. The state will participate in a multi-state pooling program that will negotiate supplemental rebates in addition to federal rebates provided for in Title XIX. This multi-state pooling program is known as the Optimal PDL Solution (TOP\$). TOP\$ rebate agreements will be separate from the federal rebates. TOP\$ supplemental rebates received by the state in excess of those required under the federal drug rebate agreement will be shared with the federal government on the same percentage basis as applied under the federal rebate agreement.
11. A TOP\$ rebate agreement for drugs provided to the Medicaid program, effective 10/01/2013, has been authorized by CMS.
12. Pursuant to 42 USC 1396r-8, the state is establishing a preferred drug list with prior authorization requirements for drugs not included on the preferred drug list.