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**State/Territory Name: Maine**

**State Plan Amendment (SPA) #: ME-22-0056**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved SPA Page

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**

March 28, 2023

Michelle Probert  
Director, Office of MaineCare Services  
Department of Health and Human Services  
109 Capitol Street, 11 State House Station  
Augusta, Maine 04333-0011

Re: Maine State Plan Amendment (SPA) 22-0056

Dear Michelle Probert:

The CMS Division of Pharmacy team has reviewed Maine's State Plan Amendment (SPA) 22-0056 received in the CMS Medicaid & CHIP Operations Group on December 30, 2022. This SPA has been submitted as related to the Inflation Reduction Act of 2022 temporary, 5-year increase for physician administered biosimilars drugs that will be paid Medicare's Average Sales Price (ASP) plus 8% (rather than plus 6%).

In keeping with the requirements of section 1902 (a)(30)(A) of the Social Security Act, we believe the state has demonstrated that their reimbursement is consistent with efficiency, economy, and quality of care, and are sufficient to ensure that care and services are available to Medicaid beneficiaries at least to the extent they are available to the general population in the geographic area. We believe that there is evidence regarding the sufficiency of Maine's pharmacy provider network at this time to approve SPA 22-0056. Specifically, Maine has reported to CMS that 152 of the state's 283 licensed in-state retail pharmacies are enrolled in Maine's Medicaid program. With a 53.7 percent participation rate, we can infer that Maine's beneficiaries will have access to pharmacy services at least to the extent available to the general population since Medicaid requires that beneficiaries be provided access to all covered outpatient drugs of participating drug manufacturers with a rebate agreement through a broad pharmacy network. In contrast, commercial insurers often have more limited drug formularies and a more limited pharmacy network.

Based on the information provided and consistent with the regulations at 42 CFR 430.20, we are pleased to inform you that ME-22-0056 is approved with an effective date of October 1, 2022. We are attaching a copy of the signed, revised CMS-179 form, as well as the page approved for incorporation into Maine's state plan.

If you have any questions regarding this state plan amendment, please contact Desiree Elekwa Izuakor at 667-290-9590 or [desiree.elekwaiuzakor@cms.hhs.gov](mailto:desiree.elekwaiuzakor@cms.hhs.gov).

Sincerely,



Cynthia R. Denemark, R.Ph.  
Acting Director, Division of Pharmacy

cc: Kristin Merrill, State Plan Manager, Office of MaineCare Services  
Gilson DaSilva, Maine State Lead, CMS

<p><b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b></p> <p><b>FOR: CENTERS FOR MEDICARE &amp; MEDICAID SERVICES</b></p>	<p>1. TRANSMITTAL NUMBER <b>22</b> — <b>0056</b></p>	<p>2. STATE <b>Maine (ME)</b></p>
<p>TO: CENTER DIRECTOR CENTERS FOR MEDICAID &amp; CHIP SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES</p>	<p>3. PROGRAM IDENTIFICATION: TITLE <u>XIX</u> OF THE SOCIAL SECURITY ACT</p>	
<p>5. FEDERAL STATUTE/REGULATION CITATION Inflation Reduction Act (IRA) 2022</p>	<p>4. PROPOSED EFFECTIVE DATE <b>10/01/2022</b></p>	
<p>7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT <b>Attachment 4.19-B Page 3(a)(1)</b></p>	<p>6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)</p> <p>a. FFY <u>2022</u> \$ <del>0</del> <b>(34,509)</b></p> <p>b. FFY <u>2023</u> \$ <del>0</del> <b>(33,153)</b></p>	
<p>9. SUBJECT OF AMENDMENT <b>To clarify plan language in connection with recent federal guidance.</b></p>	<p>8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) <b>Attachment 4.19-B Page 3(a)(1)</b></p>	

10. GOVERNOR'S REVIEW (Check One)

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

COMMENTS OF GOVERNOR'S OFFICE ENCLOSED  
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

<p>11. SIGNATURE OF STATE AGENCY OFFICIAL</p> <div style="background-color: black; width: 100%; height: 20px;"></div>	<p>15. RETURN TO <b>Michelle Probert</b> <b>Director, MaineCare Services</b> <b>#11 State House Station</b> <b>109 Capitol Street</b> <b>Augusta, Maine 04333-0011</b></p>
<p>12. TYPED NAME <b>Michelle Probert</b></p>	
<p>13. TITLE <b>Director, MaineCare Services</b></p>	
<p>14. DATE SUBMITTED <b>12/30/2022</b></p>	

FOR CMS USE ONLY	
<p>16. DATE RECEIVED <b>12/30/2022</b></p>	<p>17. DATE APPROVED <b>03/28/2023</b></p>

PLAN APPROVED - ONE COPY ATTACHED	
<p>18. EFFECTIVE DATE OF APPROVED MATERIAL <b>10/01/2022</b></p>	<p>19. SIGNATURE OF APPROVING OFFICIAL <div style="background-color: black; width: 100%; height: 20px;"></div></p>
<p>20. TYPED NAME OF APPROVING OFFICIAL <b>Cynthia R. Denemark</b></p>	<p>21. TITLE OF APPROVING OFFICIAL <b>Acting Director, Division of Pharmacy</b></p>

22. REMARKS  
**02/21/2023- State authorized a Pen & Ink Change to Box 6a and 6b.**

PAYMENT RATES FOR CAR AND SERVICES OTHER THAN INPATIENT HOSPITAL

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- (3) **Hemophilia Treatment Centers:** Hemophilia Treatment Centers are reimbursed the Average Sale Price (ASP) minus the Furnishing Fee plus dispensing fee of \$120.45.
- (4) **Reimbursement for Mail Order Pharmacy Providers**
- (a) **Generic Drugs:** The reimbursement rate for covered generic drugs obtained through mail order pharmacy providers shall be the lowest of the following:
1. The FUL plus a two-dollar and fifty cent (\$2.50) professional dispensing fee; or
  2. The Maine maximum allowable cost plus a two-dollar and fifty cent (\$2.50) professional dispensing fee; or
  3. The usual and customary charge; or
  4. The AWP minus sixty percent (60%) plus a two-dollar and fifty cent (\$2.50) professional dispensing fee.
- (b) **Brand Name Drugs:** The reimbursement rate for covered brand name drugs obtained through mail order pharmacy providers shall be the lowest of the following:
1. The usual and customary charge; or
  2. The AWP minus twenty percent (20%) plus a two-dollar and fifty cent (\$2.50) professional dispensing fee.
- (5) **Reimbursement for Compounded Drugs for Retail Pharmacy Providers**  
The ingredient cost is the sum of the cost of the defined ingredients contained in the compounded drug. Professional dispensing fees for compound drugs are as follows:
- (a) Eleven dollars and eighty-nine cents (\$11.89) except for filling insulin syringes.
  - (b) Twelve dollars and fifty cents (\$12.50) for filling insulin syringes per fourteen (14) day supply.
- (6) **Reimbursement for Physician Administered Drugs**  
MaineCare determines drug fee schedules for these drugs as set by Medicare Part B for Maine area "99." MaineCare will reimburse the lower of:
- (a) The fee schedule rate (when the ASP is available), or
  - (b) The provider's acquisition cost only, excluding shipping and handling.
- (7) Drugs not distributed by a retail community pharmacy, such as in a long-term care facility, will be paid utilizing generic (see Section 12 (B)(1)(a)), brand (see Section 12 (B)(1)(b)), or specialty pricing (see Section 12 (B)(2)), as appropriate;
- (8) Drugs not distributed by a retail community pharmacy, such as in a long-term care facility, will be paid utilizing generic (see Section 12 (B)(1)(a)), brand (see Section 12 (B)(1)(b)), or specialty pricing (see Section 12 (B)(2)), as appropriate;
- (9) Drugs acquired at nominal price are reimbursed at no more than AAC plus the professional dispensing fee as described in Section 12 (B), as appropriate;
- (10) Drugs acquired at the Federal Supply Schedule (FSS) are reimbursed at no more than AAC plus the professional dispensing fee as described in Section 12 (B), as appropriate;
- (11) MaineCare does not cover investigational drugs.