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**State/Territory Name: Utah** 

State Plan Amendment (SPA) #: U T-24-0002

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary 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**

## **Medical Benefits and Health Programs Group**

June 21, 2024

Jennifer Strohecker
Director
Division of Integrated Healthcare
Utah Department of Health & Human Services
P.O. Box 143101
Salt Lake City, Utah 84114-3101

Dear Director Strohecker,

The CMS Division of Pharmacy team has reviewed Utah's State Plan Amendment (SPA) 24-0002 received in the Centers for Medicare and Medicaid Services OneMAC application on March 29, 2024. This SPA proposes to clarify the reimbursement for certain provider-administered drugs.

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 Utah's pharmacy provider network at this time to approve SPA 24-0002. Specifically, Utah has estimated that 510 of the state's 707 licensed in-state retail pharmacies are enrolled in Utah's Medicaid program. With a 72 percent participation rate, we can infer that Utah'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 SPA 24-0002 is approved with an effective date of February 26, 2024. Our review was limited to the materials necessary to evaluate the SPA under applicable federal laws and regulations.

We are attaching a copy of the signed CMS-179 form, as well as the page approved for incorporation into Utah's state plan. If you have any questions regarding this amendment, please contact Omar Alemi at (720) 853-2724 or <a href="mailto:omar.alemi@cms.hhs.gov">omar.alemi@cms.hhs.gov</a>.

Sincerely,

Mickey Morgan, Deputy Director Division of Pharmacy

cc: Craig Devashrayee, Utah Department of Health & Human Services Yoon Kim-Butterfield, Utah Department of Health & Human Services Sepideh Daeery, Utah Department of Health & Human Services

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES  TO: CENTER DIRECTOR CENTERS FOR MEDICAID & CHIP SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES  5. FEDERAL STATUTE/REGULATION CITATION 42 CFR 440.120  7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Page 19b of Attachment 4.19-B	1. TRANSMITTAL NUMBER  2 4 — 0 0 0 2  3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT  XIX  4. PROPOSED EFFECTIVE DATE  February 26, 2024  6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)  a. FFY 2024 \$ 0  b. FFY 2025 \$ 0  8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)  Page 19b of Attachment 4.19-B
9. SUBJECT OF AMENDMENT  Provider-Administered Drugs	
10. 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:
12. TYPED NAME Tracy S. Gruber  13. TITLE Executive Director, Utah Dept of Health and Human Services  14. DATE SUBMITTED	15. RETURN TO  Craig Devashrayee  Utah Department of Health & Human Services  Division of Integrated Healthcare  cdevashrayee@utah.gov
March 29, 2024  FOR CMS USE ONLY	
	17. DATE APPROVED 06/21/2024
PLAN APPROVED - ONE COPY ATTACHED	
18. EFFECTIVE DATE OF APPROVED MATERIAL 02/26/2024	19 SIGNATURE OF APPROVING OFFICIAL
20. TYPED NAME OF APPROVING OFFICIAL Mickey Morgan	21. TITLE OF APPROVING OFFICIAL  Deputy Director, CMS Division of Pharmacy
22. REMARKS	

### S. PRESCRIBED DRUGS (Continued)

#### Covered Outpatient Drugs not Dispensed by a Retail Community Pharmacy

Covered outpatient drugs not dispensed by a retail community pharmacy are reimbursed in the same manner as other covered outpatient drugs in accordance with the reimbursement rules of this section.

### Provider-Administered Drugs

Covered provider-administered drugs will be reimbursed according to the Average Sales Price (ASP) Drug Pricing File, published quarterly by the Centers for Medicare and Medicaid Services (CMS), for drugs that have an ASP price set by CMS.

Covered provider-administered drugs for which CMS does not publish an ASP price will be reimbursed in accordance with the Utah Medicaid fee schedule published on Utah's Medicaid Coverage and Reimbursement Code Look-up Tool.

### **Investigational Drugs**

Investigational drugs are not covered by Utah Medicaid.