

Table of Contents

State/Territory Name: OH

State Plan Amendment (SPA) #: 16-0027

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 AND HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, MD 21244-1850



Center for Medicaid & State Operations

Disabled and Elderly Health Programs Group

December 19, 2016

John B. McCarthy, State Medicaid Director
Ohio Department of Medicaid
P.O. Box 182709
Columbus, Ohio 43218

Dear Mr. McCarthy:

We have reviewed Ohio State Plan Amendment (SPA) TN# 16-027 received in the Chicago Regional Office on October 24, 2016. This amendment updates the terms upon which the state intends to collect supplemental rebates from drug manufacturers. Ohio entered into a supplemental rebate agreement (SRA) with Sovereign States Drug Consortium (SSDC) on October 1, 2016. We are pleased to inform you this amendment is approved, effective January 1, 2017.

Based upon the information provided, we believe this amendment is consistent with the objectives of the Medicaid program, is designed to increase efficiency and economy of the Medicaid program and benefits Medicaid beneficiaries. Approval of Ohio SPA 16-027 extends only to the Ohio SRA and attachment templates submitted to the Centers for Medicare & Medicaid Services (CMS) on October 24, 2016. These revised SRA documents will replace the current SRA packet approved by CMS on January 1, 2007. If changes are subsequently made to the SRA or its attachments, a new SPA and any required documents should be submitted to CMS for review and authorization.

The Chicago Regional Office will forward to you a copy of the CMS-179 form, as well as the pages approved for incorporation into the Ohio Medicaid State Plan. If you have any questions regarding this amendment, please contact Yolonda Williams at (410) 786-6618.

Sincerely,

/s/

John M. Coster, Ph.D, R.Ph.
Director
Division of Pharmacy

cc: Ruth A. Hughes, ARA, Chicago Regional Office
Christine J. Davidson, Chicago Regional Office
Carolyn Humphrey, Ohio Department of Medicaid

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 16 - 027 Revised	2. STATE OHIO
FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES		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 January 1, 2017	
5. TYPE OF PLAN MATERIAL (<i>Check One</i>):			
<input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT			
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (<i>Separate Transmittal for each amendment</i>)			
6. FEDERAL STATUTE/REGULATION CITATION: 42 U.S.C. Section 1396r-8		7. FEDERAL BUDGET IMPACT: a. FFY 2017 \$0 b. FFY 2018 \$0	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 3.1-A, Item 12, Page 1 of 12		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>): Attachment 3.1-A, Item 12, p 1 of 12 (TN 07-001) Attachment 3.1-A, pre-print page 5, Item 12, pages 3 - 11 of 12 (TN 07-001) Remove	
10. SUBJECT OF AMENDMENT: Prescribed drugs: Sovereign States Drug Consortium (SSDC) and updated Ohio Medicaid Supplemental Rebate Agreement			
11. GOVERNOR'S REVIEW (<i>Check One</i>):			
<input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL		<input checked="" type="checkbox"/> OTHER, AS SPECIFIED: The State Medicaid Director is the Governor's designee	
12. SIGNATURE OF STATE AGENCY OFFICIAL: [REDACTED]		16. RETURN TO: Carolyn Humphrey Ohio Department of Medicaid P.O. BOX 182709 Columbus, Ohio 43218	
13. TYPED NAME: JOHN B. McCARTHY			
14. TITLE: STATE MEDICAID DIRECTOR			
15. DATE SUBMITTED: October 24, 2016			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 10/24/16		18. DATE APPROVED: 12/19/16	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 1/1/17		20. SIGNATURE OF REGIONAL OFFICIAL: /s/	
21. TYPED NAME: Ruth A. Hughes		22. TITLE: Associate Regional Administrator	
23. REMARKS:			

Pen + Ink - Box B, removing "of 12" as there is only page 1.

Instructions on Back

12. Prescribed drugs, dentures, and prosthetic devices; and eyeglasses prescribed by a physician skilled in diseases of the eye or by an optometrist.

a. Prescribed drugs

Coverage of prescribed drugs meets all reporting requirements and provisions of section 1927 of the social security act, including the following requirements as found in Section 1927(d)(5) of the Act:

The prior authorization program provides a response by telephone or other telecommunication device within 24 hours of a request.

The prior authorization program provides for the dispensing of at least a 72-hour supply of a covered drug in an emergency situation.

PREFERRED DRUG LIST

Pursuant to 42 U.S.C. Section 1396r-8 the state is establishing a preferred drug list with prior authorization for drugs not included on the preferred drug list. Prior authorization may be established for certain drug classes, particular drugs or medically accepted indication for uses or doses.

SUPPLEMENTAL REBATES

Based on the requirements in Section 1927 of the Social Security Act, the state has the following policies for the supplemental rebate program for Medicaid recipients:

Supplemental rebates will be accepted from manufacturers, according to the supplemental drug-rebate agreement. Supplemental rebates received pursuant to these agreements are only for the Medicaid program.

All drugs covered by the program, irrespective of the requirement to be prior authorized, will comply with the provisions of the nation drug rebate agreement.

CMS has authorized Ohio to enter into "the Sovereign States Drug Consortium (SSDC)" Medicaid multi-state purchasing pool. The updated "Ohio Medicaid Supplemental Rebate Agreement" between the State and participating manufacturers for drugs provided to the Medicaid program, submitted to CMS on October 24, 2016 supersedes the "Ohio Supplemental Drug Rebate Agreement" approved in OH SPA TN 07-001. CMS has authorized the updated agreement. The updated agreement applies to drugs dispensed effective January 1, 2017.

The unit rebate amount is confidential and cannot be disclosed in accordance with Section 1927(b)(3)(d) of the Social Security Act.

Supplemental drug rebates received under this agreement by the state that are in excess of those required under the National Drug Rebate Agreement will be shared with the federal government on the percentage basis required by law.

TN: 16-027
Supersedes
TN: 07-001

Approval Date: 12/19/16

Effective Date: 01/01/2017