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State/Territory Name: Ohio

State Plan Amendment (SPA) #: 19-0023

This file contains the following documents in the order listed:

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



Center for Medicaid and CHIP Services

Disabled and Elderly Health Programs Group

December 13, 2019

Maureen Corcoran, Director
Ohio Department of Medicaid
P.O. Box 182709
50 West Town Street, Suite 400
Columbus, OH 43218

Dear Ms. Corcoran,

We have reviewed Ohio State Plan Amendment (SPA) 19-0023 received in the Centers for Medicare and Medicaid Services (CMS) Chicago Regional Operations Group on November 1, 2019. This SPA proposes to specify that managed care plans contracted with the state will follow a unified Preferred Drug List, and that supplemental rebates will be collected for utilization for both fee-for-service and managed care participants.

Based on the information provided and consistent with the regulations at 42 CFR 430.20, we are pleased to inform you that SPA 19-0023 is approved with an effective date of January 1, 2020. A copy of the signed CMS-179 form, as well as the pages approved for incorporation into Ohio's state plan will be forwarded by the Chicago Regional Operations Group.


If you have any questions regarding this request, please contact Réna McClain at (410) 786-3975 or Rena.McClain1@cms.hhs.gov.

Sincerely,

/s/

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

cc: Tracey Archibald, Ohio Medicaid, Pharmacy Program Manager
Rebecca Jackson, Ohio Medicaid, State Plan Team
Carolyn Humphrey, Ohio Medicaid, State Plan Team
Ruth Hughes, Director, Chicago Regional Operations Group
Christine Davidson, Chicago Regional Operations Group

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL	1. TRANSMITTAL NUMBER: 19-023	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, 2020	
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 2020 \$ 61,000 thousands b. FFY 2021 \$ (41,000 thousands)	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 3.1-A, Item 12-a, page 1	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>): Attachment 3.1-A, Item 12-a, Pre-Print page 5, page 1 (TN 18-011)	
10. SUBJECT OF AMENDMENT: Prescribed Drugs: Unified Preferred Drug List (PDL) and Updated Ohio Supplemental Rebate Agreement (SRA) to include supplemental rebates for drugs covered by Medicaid managed care plans		
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: 	16. RETURN TO:	
13. TYPED NAME: MAUREEN M. CORCORAN	Carolyn Humphrey Ohio Department of Medicaid P.O. BOX 182709 Columbus, Ohio 43218	
14. TITLE: STATE MEDICAID DIRECTOR		
15. DATE SUBMITTED: November 1, 2019		
FOR REGIONAL OFFICE USE ONLY		
17. DATE RECEIVED: November 1, 2019	18. DATE APPROVED: December 13, 2019	
PLAN APPROVED – ONE COPY ATTACHED		
19. EFFECTIVE DATE OF APPROVED MATERIAL: 1/1/20	20. SIGNATURE OF REGIONAL OFFICIAL: <i>/s/</i>	
21. TYPED NAME: Ruth A. Hughes	22. TITLE: Deputy Director	
23. REMARKS:		

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. Effective January 1, 2020, the Managed Care Plans contracted with the Ohio Department of Medicaid (ODM) will follow the preferred drug list established by ODM.

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 and will be collected from manufacturers based on drug utilization for both fee-for-service and managed care plan participants.

All drugs covered by the program, irrespective of the requirement to be prior authorized, will comply with the provisions of the national 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 November 1, 2019 supersedes the “Ohio Supplemental Drug Rebate Agreement” approved in OH SPA TN16-027. CMS has authorized the updated agreement. The updated agreement applies to drugs dispensed effective January 1, 2020.

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.