



DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services

Region 10
2201 Sixth Avenue, MS/RX-43
Seattle, Washington 98121

December 2, 2009

Susan Dreyfus, Secretary
Department of Social and Health Services
Post Office Box 45010
Olympia, Washington 98504-5010

RE: Washington State Plan Amendment 09-018

Dear Ms. Dreyfus:

The Centers for Medicare & Medicaid Services (CMS) Pharmacy Team approved Washington State Plan Amendment (SPA) 09-018 on November 17, 2009.

The Seattle Regional office is following up with a complete copy of the approval package for the reason that we were in receipt of the original, signed amendment request.

Therefore, enclosed you will find a copy of the official CMS form 179, amended page(s), and copy of the approval letter from the Pharmacy Team for your records.

If you have any questions concerning the Seattle Regional office role in the processing of this state plan amendment, please contact Daphne Hicks at (206) 615-2400 or Daphne.Hicks@cms.hhs.gov.

Sincerely,

Barbara K. Richards
Associate Regional Administrator
Division of Medicaid and Children's Health
Operations

Enclosure

Cc: Douglas Porter, Assistant Secretary

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 Program Group

Susan Dreyfus, Secretary
Department of Social and Health Services
P.O. Box 45010
Olympia, WA 98504-5010
Attn: Ann Myers

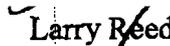
NOV 17 2009

Dear Ms. Dreyfus:

We have reviewed Washington State Plan Amendment (SPA) 09-018, received by the Centers for Medicare & Medicaid Services on June 18, 2009. This amendment decreases pharmacy payment for estimated acquisition cost from AWP – 14% to AWP – 16%. It also removes the reference to First Databank as the drug file carrier. We are pleased to inform you that the amendment is approved effective July 1, 2009.

A copy of the CMS-179 form, as well as the pages approved for incorporation into the Washington State Plan will be forwarded by the Seattle Regional Office. If you have any further questions regarding this approval, please contact David Moscovic at (410) 786-4693.

Sincerely,


Larry Reed
Director
Division of Pharmacy

cc: Barbara Richards, ARA, Seattle Regional Office
Maria Garza, Seattle Regional Office

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 09-018	2. STATE Washington
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 July 1, 2009	
5. TYPE OF PLAN MATERIAL (Check One): <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 (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION:		7. FEDERAL BUDGET IMPACT: a. FFY 2009 \$(946,081) b. FFY 2010 \$(3,723,407)	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Supplement A to Attachment 4.19-B, page 2		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Supplement A to Attachment 4.19-B, page 2	
10. SUBJECT OF AMENDMENT: Pharmacy AWP - 16			
11. GOVERNOR'S REVIEW (Check One): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: Exempt <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL:		16. RETURN TO:	
13. TYPED NAME: Susan N. Dreyfus		Ann Myers Department of Social and Health Services Health and Recovery Services Administration 626 8 th Ave SE MS: 45504 Olympia, WA 98504-5504	
14. TITLE: Secretary			
15. DATE SUBMITTED: 6/17/09			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: JUN 18 2009		18. DATE APPROVED:	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: JUL 01 2009		20. SIGNATURE OF REGIONAL OFFICIAL: NOV 17 2009	
21. TYPED NAME: Barbara K Richards		22. TITLE: Associate Regional Administrator Division of Medicaid & Children's Health	
23. REMARKS:			

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: WASHINGTON

REIMBURSEMENT FOR PHARMACY SERVICES (Cont.)

III. Estimated Acquisition Cost (EAC)

- A. The Department uses the Average Wholesale Price (AWP) of each product as posted in the drug file by the drug file carrier, Medispan.
- B. Currently applied EAC percentages, effective for dates of service on and after 7/1/09, are:
- AWP-16% for single source drugs;
 - AWP-16% for multisource drugs with four or fewer manufacturers/labelers;
 - AWP-50% for multisource drugs with five or more manufacturers/labelers and no MAC or FUL; and
 - 100% of certified AWP for infusion, injectable, and inhalation drugs with certified AWP.