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State/Territory Name: Colorado

State Plan Amendment (SPA) #: 18-0044

This file contains the following documents in the order listed:

- 1) Approval Letter
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- 3) Approved SPA Pages



Center for Medicaid and CHIP Services

Disabled and Elderly Health Programs Group

February 25, 2019

Ms. Laurel Karabatsos
Interim Medicaid Director
Colorado Department of Health Care Policy and Financing
1570 Grant Street
Denver, CO 80203-1818

Dear Ms. Karabatsos:

We have reviewed Colorado's State Plan Amendment (SPA) 18-0044 received in the Denver Regional Office on December 4, 2018. This amendment proposes to revise the Colorado state plan to incorporate language that authorizes the state to enter into value-based contract arrangement with drug manufacturers through supplemental rebate agreements.

Based on the information provided and consistent with the regulations at 42 CFR 430.20, we are pleased to inform you that SPA 18-0044 is approved with an effective date of October 1, 2018. A copy of the signed CMS-179 form, as well as the pages approved for incorporation into Colorado's state plan will be forwarded by the Denver Regional Office.

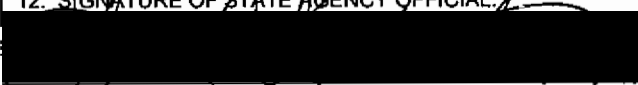

If you have any questions regarding this amendment, please contact Terry Simananda at (410) 786-8144 or Terry.Simananda@cms.hhs.gov.

Sincerely,

/s/

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

CC: Mary Marchioni, Acting ARA, CMS, Denver Regional Office
Curtis Volesky, CMS, Denver Regional Office
David DeNovellis, State of Colorado

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES		1. TRANSMITTAL NUMBER: <p style="text-align: center;">18 - 0044</p>	2. STATE: <p style="text-align: center;">COLORADO</p>
		3. PROGRAM IDENTIFICATION: <p style="text-align: center;">TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)</p>	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE: <p style="text-align: center;">October 1, 2018</p>	
5. TYPE OF PLAN MATERIAL (Check One): NEW STATE PLAN AMENDMENT TO BE CONSIDERED AS A NEW PLAN X AMENDMENT			
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION: <p style="text-align: center;">Title XIX of the Social Security Act, Section 1927</p>		7. FEDERAL BUDGET IMPACT: a. FFY 2017-18: \$0 _____ b. FFY 2018-19: \$0 _____	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Supplement to Attachment 3.1-A – Limitations to Care and Services – 12.a. Prescribed Drugs, Page 3a		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Not applicable	
10. SUBJECT OF AMENDMENT: This Amendment would revise the state plan to allow for outcome-based supplemental drug rebates for certain drugs.			
11. GOVERNOR'S REVIEW (Check One): GOVERNOR'S OFFICE REPORTED NO COMMENT X OTHER, AS SPECIFIED COMMENTS OF GOVERNOR'S OFFICE ENCLOSED Governor's letter dated 29 March, 2018 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: Colorado Department of Health Care Policy and Financing 1570 Grant Street Denver, CO 80203-1818 Attn: David DeNovellis	
13. TYPED NAME: Laurel Karabatsos			
14. TITLE: Interim Medicaid Director			
15. DATE SUBMITTED: <i>Initial: December 4, 2018</i> <i>1st Update: January 16, 2019</i>			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED December 4, 2018		18. DATE APPROVED February 25, 2019	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL October 1, 2018		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME Mary Marchioni		22. TITLE Acting Deputy Director, WROG	
23. REMARKS			

**STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM**

State of Colorado

Services

Limitations

12.a Prescribed Drugs

8. CMS has authorized the State of Colorado to also enter into Medicaid Value-Based Supplemental Drug Agreements with Manufacturers on a voluntary basis. These contracts will be executed on a model agreement entitled “Value-Based Supplemental Agreement” submitted to CMS on December 4, 2018 with an effective date of October 1, 2018.