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State/Territory Name: CT

State Plan Amendment (SPA) #: 13-033

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 & HUMAN SERVICES
Centers for Medicare & Medicaid Services
JFK Federal Building, Government Center
Room 2275
Boston, Massachusetts 02203



Division of Medicaid and Children's Health Operations / Boston Regional Office

March 6, 2014

Roderick Bremby, Commissioner
Department of Social Services
25 Sigourney Street
Hartford, Connecticut 06106

Dear Mr. Bremby:

On January 24, 2014, our Central Office sent you a letter approving your proposed State Plan amendment (SPA) No. 13-033. This letter transmits the Transmittal and Notice of Approval State Plan Material (CMS-179) and the approved State Plan pages.

In SPA 13-033 the state proposes to amend Attachment 3.1A/B of the Connecticut State Plan in order to make substantive changes to the existing TOPS, *The Optimal PDL Solution*, State Supplemental Rebate Agreement (SRA) including revised definitions and structural changes to the SRA. Definitions have been added to provide for the inclusion of Medicaid MCO utilization for accrual of supplemental rebates. Inclusion of the MCO population is optional and at the State's discretion. Connecticut currently operates solely through a fee-for-service model and there are currently no Medicaid MCO's. Accordingly, the State has not exercised the MCO option as part of this SPA.

This SPA was approved effective October 1, 2013 as requested by the State.

Changes are reflected in the following sections of your approved State Plan:

- Addendum page 11b to Attachments 3.1A
- Addendum page 11b to Attachments 3.1B

If you have any questions regarding this matter you may contact Marie Montemagno (617) 565-9157 or by e-mail at Marie.Montemagno@cms.hss.gov

Sincerely,

/s/

Richard R. McGreal
Associate Regional Administrator

cc: Kate McEvoy, Director, Medical Care Administration

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: HEALTH CARE FINANCING ADMINISTRATION	1. TRANSMITTAL NUMBER: 13-033	2. STATE: CT
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE AND MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE: October 1, 2013	
5. TYPE OF STATE 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)

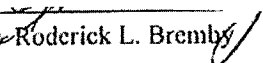
6. FEDERAL STATUTE/REGULATION CITATION: 42 USC 1396r-8	7. FEDERAL BUDGET IMPACT: a. FFY 2014 \$ 0 b. FFY 2015 \$ 0
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Addendum page 11b to Attachments 3.1-A and 3.1-B	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If applicable) Addendum page 11b to Attachments 3.1-A and 3.1-B

10. SUBJECT OF AMENDMENT: Under state plan amendment 13-033, the Department of Social Services proposes to amend Attachments 3.1-A and 3.1-B of the Connecticut Medicaid State Plan effective 10/01/2013. This state plan amendment is to include substantive changes to the existing TOPS, *The Optimal PDL Solution* ("TOPS") State Supplemental Rebate Agreement (SRA). SPA Transmittal Number 13-033 includes revised definitions and structural changes to the SRA. Definitions have been added to provide for the inclusion of Medicaid MCO utilization for accrual of supplemental rebates. The intent of the SRA has been expanded to cover both FFS and MCO populations, as long as the state retains control of the Preferred Drug List (PDL) for both populations. Inclusion of the MCO population under the contract is optional and at the sole discretion of the state. Effective January 1, 2012, Connecticut's Medicaid program has operated solely through a fee-for-service model and there are currently no Medicaid MCOs. Accordingly, the State has not exercised the MCO option as part of this SPA.

11. 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. SIGNATURE OF STATE AGENCY OFFICIAL: 	16. RETURN TO: State of Connecticut Department of Social Services - 11 th floor 25 Sigourney Street Hartford, CT 06106-5033 Attention: Ginny Mahoney
13. TYPED NAME: Roderick L. Bremby	
14. TITLE: Commissioner	
15. DATE SUBMITTED: November 5, 2013	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: November 5, 2013	18. DATE APPROVED: January 24, 2014
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PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL: October 1, 2013	20. SIGNATURE OF REGIONAL OFFICIAL: 
21. TYPED NAME: Richard R. McGreal	22. TITLE: Associate Regional Administrator Division of Medicaid and Children's Health Operations
23. REMARKS:	

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
State CONNECTICUT

OFFICIAL

AMOUNT, DURATION AND SCOPE OF SERVICES PROVIDED TO THE
MEDICALLY NEEDY GROUP (S): ALL

(7) Drug Rebate Agreements

The State is in compliance with §1927 of the Social Security Act. The state will cover drugs of federal rebate participating manufacturers. The state is in compliance with reporting requirements for utilization and restrictions to coverage. Pharmaceutical manufacturers can audit utilization data. The unit rebate amount is confidential and cannot be disclosed for purposes other than rebate invoicing and verification.

A rebate agreement between the state and a participating drug manufacturer for drugs provided to the Medicaid program, submitted to CMS on September 24, 2004 and entitled, "State of Connecticut Department of Social Services Supplemental Rebate Agreement," has been authorized by CMS. Any additional versions of such rebate agreements negotiated between the State and manufacturer(s) after September 24, 2004 will be submitted to CMS for authorization.

The State will continue state-specific supplemental rebates and will also participate in a multi-state pooling program that will negotiate supplemental rebates in addition to federal rebates provided for in Title XIX. This multi-state pooling program is known as The Optimal PDL Solution (TOP\$SM). TOP\$SM supplemental rebate agreements will be separate from the federal rebates.

CMS has authorized the State of Connecticut to enter into "The Optimal PDL Solution" (TOP\$SM). CMS has authorized the TOP\$SM multi-state supplemental rebate agreement submitted to CMS on November 5, 2013. The TOP\$SM multi-state supplemental rebate agreement is effective October 1, 2013 for the State of Connecticut. State-specific or TOP\$SM supplemental rebates received by the State in excess of those required under the national drug rebate agreement will be shared with the federal government on the same percentage basis as applied under the national rebate agreement.

Once the State authorizes the inclusion of a drug on the PDL based on the P&T Committee vote, the manufacturer has an obligation to pay the state supplemental rebates. Manufacturers shall have no obligation to pay supplemental rebate amounts for a drug product in the event that the drug product is not included on the PDL or removed from the PDL.

An independent third party will be negotiating supplemental rebates in addition to the federal rebates provided for in Title XIX. Rebate agreements between the state and a pharmaceutical manufacturer will be separate from the federal rebates.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
State CONNECTICUT

OFFICIAL

AMOUNT, DURATION AND SCOPE OF SERVICES PROVIDED TO THE
CATEGORICALLY NEEDY GROUP (S): ALL

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