

Table of Contents

State/Territory Name: Washington, D.C.

State Plan Amendment (SPA) #: 32/28

This file contains the following documents in the order listed:

- 1) Approval Letter
- 4) CMS 179 Form/Summary Form (with 179-like data)
- 5+"Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
150 S. Independence Mall West
Suite 216, The Public Ledger Building
Philadelphia, Pennsylvania 19106-3499



Region III/Division of Medicaid and Children's Health Operations

JAN 3 1 2011

Linda Elam, PhD
Acting Director
Department of Health Care Finance
825 North Capitol Street, N.E. – 6th floor
Washington, DC 20002

Re: Approval – DC SPA #10-06: Pharmacy Lock-In Program

Dear Dr. Elam:

We have reviewed the District of Columbia's State Plan Amendment (SPA) #10-06 Pharmacy lock-In Program, which establishes a pharmacy lock-in program in the District. The Pharmacy Team at the Centers for Medicare & Medicaid Services approved this SPA on December 8, 2010 and you were duly notified (a copy of the notice letter and OSN are attached). The effective date of the SPA is October 1, 2010. Enclosed are the approved State Plan pages and the signed Form CMS-179.

If you have any questions regarding this amendment, please contact Barbara Williamson here in the Regional Office at (215) 861-4721, or via e-mail at barbara.williamson@cms.hhs.gov.

Sincerely,

/s/

I ed Gallagher 
Associate Regional Administrator

Enclosures

cc: Madlyn Kruh, CMS
Diane Fields, DHCF

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES TO: Regional Administrator Centers for Medicare & Medicaid Services Department of Health and Human Services	1. TRANSMITTAL NUMBER: 10-06	2. STATE District of Columbia
	3. PROGRAM IDENTIFICATION: Title XIX of the Social Security Act	
4. PROPOSED EFFECTIVE DATE October 1, 2010		

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN
 ☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN
 ☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION 42 CFR 431.54	7. FEDERAL BUDGET IMPACT a. FFY 2011 (\$737,000) b. FFY 2012 (\$795,000)
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Supplement 1 to Attachment 3.1-A pp 19A, 19-B, 20 Supplement 1 to Attachment 3.1-B pp 18A, 18-B, 19	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Supplement 1 to Attachment 3.1-A pp 19A-20 Supplement 1 to Attachment 3.1-B pp 18A-19

10. SUBJECT OF AMENDMENT:
Pharmacy Lock-In Program 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:
 District of Columbia Act No: 18-187

12. SIGNATURE OF STATE AGENCY OFFICIAL <i>/s/</i>	16. RETURN TO John McCarthy Deputy Director Department of Health Care Finance 825 N. Capitol St., NE Washington, DC 20002
13. TYPED NAME John McCarthy	
14. TITLE Deputy Director, Department of Health Care Finance	
15. DATE SUBMITTED June 21, 2010	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED	18. DATE APPROVED 8 December 2010
PLAN APPROVED - ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL October 2010	20. SIGNATURE OF REGIONAL OFFICIAL /s/

21. TYPED NAME Ted Gallagher	22. TITLE Associate Regional Administrator
---------------------------------	---

23. REMARKS

depending on the results of the Pharmacy and Therapeutics Committee recommendations and Departmental review.

- e. As specified in Section 1927(b)(3)(D) of the Act, notwithstanding any other provisions of law, rebate information disclosed by a manufacturer shall not be disclosed by the District for purposes other than rebate invoicing and verification.
- 7) All anorexic drugs (amphetamine and amphetamine-like) are eliminated as reimbursable pharmaceuticals except for diagnosed conditions of narcolepsy and minimal brain dysfunction in children.
- 8) Prior authorization (PA) is required for the dispensing of the following prescribed drugs:
- a. All prescriptions for Oxycodone HCL and Aspirin (more commonly known as Percodan), and Flurazepam (more commonly known as Dalmane);
 - b. Anorexic drugs (amphetamine and amphetamine-like) may be dispensed with prior authorization for the diagnosed conditions of narcolepsy and minimal brain dysfunction in children; and
 - c. Any injectable drugs on an ambulatory basis.
- 9) Pharmacy Lock-In Program
- a. The Department of Health Care Finance (DHCF), along with the District of Columbia Drug Utilization Review (DUR) Board, will implement a Pharmacy Lock-In Program to safeguard the appropriate use of medications when an individual enrolled in the District of Columbia Medicaid Fee-for-Service Program misuses drugs in excess of the customary dosage for the proper treatment of the given diagnosis, or misuses multiple drugs in a manner that can be medically harmful. Beneficiaries listed in section 9(k) are exempt from the Pharmacy Lock-In Program.
 - b. DHCF will use the drug utilization guidelines established by the District of Columbia Drug Utilization Review (DUR) Board in support of the restriction. DUR Board Guidelines require a monthly report from the Medicaid MMIS to determine when a beneficiary may be at risk of exceeding the customarily prescribed dosages or utilization. The report will identify beneficiaries who meet criteria, such as:
 - 1. > 3 controlled substance prescriptions per month
 - 2. >3 prescribers for controlled substances within the last 90 days
 - 3. >10 prescriptions per month

4. 3 or more pharmacies used per month
- c. DHCF shall notify the Medicaid beneficiary in writing of the following at least fifteen (15) days prior to the effective date of the restriction:
 1. The Department proposes to designate him or her as a restricted Medicaid beneficiary;
 2. The reason for the restriction; and
 3. The beneficiary's right to a hearing if he or she disagrees with the designation.
- d. The Medicaid beneficiary shall have fifteen (15) days from the date of the notice to file a request for a hearing with the Office of Administrative Hearings (OAH).
- e. If the Medicaid recipient requests a hearing, no further action shall be taken on the restriction designation until the hearing is dismissed or a final decision has been rendered by OAH.
- f. A restriction may be required for a reasonable amount of time, not to exceed twelve (12) months, without a review by the Drug Utilization Review Board. Subsequent restrictions will not be imposed until after the review has concluded.
- g. The Department of Health Care Finance will ensure that when a lock-in has been imposed, the beneficiary will continue to have reasonable access to Medicaid services of adequate quality.
- h. When a restriction is imposed upon a beneficiary, the beneficiary may choose the pharmacy of his or her choice, based upon a list of three (3) pharmacy providers identified by the Department of Health Care Finance.
- i. When a beneficiary fails to request a hearing with OAH or fails to select a designated pharmacy after a decision has been rendered by OAH upholding the restriction within the specified time period, the Department of Health Care Finance, on behalf of that beneficiary, will designate a pharmacy for pharmacy services.
- j. Restrictions will not apply in situations where emergency services are furnished to a beneficiary.
- k. Beneficiaries in skilled nursing facilities, long term care facilities, and intermediate care facilities for the mentally retarded are not eligible for the Pharmacy Lock-In Program.

1. If a beneficiary, who is enrolled in the Medicaid Managed Care Organization (MCO) and is also required to participate in its Pharmacy Lock-In Program, subsequently becomes enrolled in the Medicaid Fee-For-Service Program, that beneficiary will be automatically enrolled in the Medicaid Fee-For-Service Pharmacy Lock-In Program. The lock-in will remain in force for a period not to exceed the length of the initial lock-in period first imposed by the MCO or twelve (12) months, whichever is less.

TN No. _____
Supersedes
TN. No. 07-04

DEC 08 2010
Approval Date _____

Effective Date 1 October 2016

depending on the results of the Pharmacy and Therapeutics Committee recommendations and Departmental review.

- e. As specified in Section 1927(b)(3)(D) of the Act, notwithstanding any other provisions of law, rebate information disclosed by a manufacturer shall not be disclosed by the District for purposes other than rebate invoicing and verification.
- 7) All anorexic drugs (amphetamine and amphetamine-like) are eliminated as reimbursable pharmaceuticals except for diagnosed conditions of narcolepsy and minimal brain dysfunction in children.
- 8) Prior authorization (PA) is required for the dispensing of the following prescribed drugs:
- a. All prescriptions for Oxycodone HCL and Aspirin (more commonly known as Percodan), and Flurazepam (more commonly known as Dalmane);
 - b. Anorexic drugs (amphetamine and amphetamine-like) may be dispensed with prior authorization for the diagnosed conditions of narcolepsy and minimal brain dysfunction in children; and
 - c. Any injectable drugs on an ambulatory basis.
- 9) Pharmacy Lock-In Program
- a. The Department of Health Care Finance (DHCF), along with the District of Columbia Drug Utilization Review (DUR) Board, will implement a Pharmacy Lock-In Program to safeguard the appropriate use of medications when an individual enrolled in the District of Columbia Medicaid Fee-for-Service Program misuses drugs in excess of the customary dosage for the proper treatment of the given diagnosis, or misuses multiple drugs in a manner that can be medically harmful. Beneficiaries listed in section 9(k) are exempt from the Pharmacy Lock-In Program.
 - b. DHCF will use the drug utilization guidelines established by the District of Columbia Drug Utilization Review (DUR) Board in support of the restriction. DUR Board Guidelines require a monthly report from the Medicaid MMIS to determine when a beneficiary may be at risk of exceeding the customarily prescribed dosages or utilization. The report will identify beneficiaries who meet criteria, such as:
 - 1. > 3 controlled substance prescriptions per month;
 - 2. >3 prescribers for controlled substances within the last 90 days;

3. >10 prescriptions per month; or
 4. 3 or more pharmacies used per month
- c. The Department of Health Care Finance (DHCF) will notify the Medicaid beneficiary in writing of the following at least fifteen (15) days prior to the effective date of the restriction:
1. DHCF proposes to designate him or her as a restricted Medicaid beneficiary;
 2. The reason for the restriction; and
 3. The beneficiary's right to a hearing if he or she disagrees with the designation.
- d. The Medicaid beneficiary shall have fifteen (15) days from the date of the notice to file a request for a hearing with the Office of Administrative Hearings (OAH).
- e. If the Medicaid recipient requests a hearing, no further action shall be taken on the restriction designation until the hearing is dismissed or a final decision has been rendered by OAH.
- f. A restriction may be required for a reasonable amount of time, not to exceed twelve (12) months, without a review by the Drug Utilization Review Board. Subsequent restrictions will not be imposed until after the review has concluded.
- g. DHCF will ensure that when a lock-in has been imposed, the beneficiary will continue to have reasonable access to Medicaid services of adequate quality.
- h. When a restriction is imposed upon a beneficiary, the beneficiary may choose the pharmacy of his or her choice, based upon a list of three (3) pharmacy providers identified by DHCF.
- i. When a beneficiary fails to request a hearing with OAH or fails to select a designated pharmacy after a decision has been rendered by OAH upholding the restriction within the specified time period, the DHCF, on behalf of that beneficiary, will designate a pharmacy for pharmacy services.
- j. Restrictions will not apply in situations where emergency services are furnished to a beneficiary.

- k. Beneficiaries in skilled nursing facilities, long term care facilities, and intermediate care facilities for the mentally retarded are not eligible for the Pharmacy Lock-In Program.
- l. If a beneficiary, who is enrolled in the Medicaid Managed Care Organization (MCO) and is also required to participate in its Pharmacy Lock-In Program, subsequently becomes enrolled in the Medicaid Fee-For-Service Program, that beneficiary will be automatically enrolled in the Medicaid Fee-For-Service Pharmacy Lock-In Program. The lock-in will remain in force for a period not to exceed the length of the initial lock-in period first imposed by the MCO or twelve (12) months, whichever is less.