

Table of Contents

State Name: Delaware

State Plan Amendment (SPA) #15-0001

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS-179
- 3) 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

SWIFT #051120154036

JUN 17 2015

Mr. Stephen M. Groff, Director
Division of Medicaid and Medical Assistance
P.O. Box 906
New Castle, DE 19720-0906

Dear Mr. Groff:

We are pleased to inform you of the approval of Delaware State Plan Amendment (SPA) 15-0001. This amendment revises the Multi-State Purchasing Pool Supplemental Rebate Agreement (SRA) for pharmaceutical products to include Medicaid Managed Care Organization (MCO) utilization for the accrual of supplemental rebates.

Enclosed is a copy of the approved SPA pages and the signed CMS-179 form. The effective date of this amendment is April 1, 2015.

If you have any questions, you may contact Michael Cleary at (215) 861-4282.

Sincerely,



f Francis McCullough
Associate Regional Administrator

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: SPA #15-001	2. STATE DELAWARE
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 April 1, 2015	
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: 1927(a)(1) and 1927 (a)(4) of the Social Security Act 42 CFR §440.120		7. FEDERAL BUDGET IMPACT: a. FFY 2015 \$ (2,606,661.00) b. FFY 2016 \$ (5,489,872.00) c. FFY 2017 \$ (5,599,670.00)	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: ATTACHMENT 3.1-A PAGE 5 ADDENDUM CONTINUED 2		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): ATTACHMENT 3.1-A PAGE 5 ADDENDUM CONTINUED 2	
10. SUBJECT OF AMENDMENT: SUPPLEMENTAL REBATE AGREEMENT: MEDICAID MANAGED CARE ORGANIZATION (MCO) UTILIZATION FOR SUPPLEMENTAL REBATE COLLECTION			
11. GOVERNOR'S REVIEW (Check One):			
<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: Governor's comments under separate correspondence	
12. SIGNATURE OF STATE AGENCY OFFICIAL: //Stephen M. Groff – signature//		16. RETURN TO:	
13. TYPED NAME: Stephen M. Groff, Director, Division of Medicaid and Medical Assistance		Stephen M. Groff Director Division of Medicaid and Medical Assistance P.O. Box 906 New Castle, Delaware 19720-0906	
14. TITLE: Designee for Rita M. Landgraf, Secretary, Delaware Health and Social Services			
15. DATE SUBMITTED: May 11, 2015			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 05/11/2015		18. DATE APPROVED: 06/16/2015	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 04/01/2015		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: Francis McCullough		22. TITLE: Associate Regional Administrator	
23. REMARKS:			

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: DELAWARE

LIMITATIONS

12.a. **Prescribed Drugs Continued:**

Drug Rebate Agreements

- A supplemental rebate agreement submitted to CMS on December 10, 2013 amended the December 20, 2005 version of the "State of Delaware TOP\$SM The Optimal PDL \$solution ("TOP\$") State Supplemental Rebate Agreement" authorized under Transmittal Number SP-412, has been authorized by CMS.
 - Pharmaceutical manufacturers are allowed to audit utilization rates;
 - Compliance with the reporting requirements for state utilization information and restrictions to coverage;
 - The unit rebate amount is confidential and cannot be disclosed for purposes other than rebate invoicing and verification; and,
 - Rebate agreements between the state and a pharmaceutical manufacturer that are separate from the drug rebate agreements of Section 1927 are authorized by the Centers for Medicare and Medicaid Services. The state reports rebates from separate agreements to the Secretary for Health and Human Services. The state will remit the federal portion of any state supplemental rebates collected.
 - Participation in the TOP\$ multi-state rebate program will not limit the state's ability to submit a SPA to authorize the implementation of a state-specific supplemental rebate agreement.
 - Supplemental rebate agreements would apply to the drug benefit, both fee-for-service and those paid by contracted managed care organizations (MCOs).

TN No. <u>SPA #15-001</u>	Approval Date <u>JUN 16 2015</u>
Supersedes	
TN No. <u>SPA #13-0019</u>	Effective Date <u>April 1, 2015</u>