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State/Territory Name: Louisiana

State Plan Amendment (SPA) #: 19-0018

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved Page

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-14-26
Baltimore, Maryland 21244-1850



Center for Medicaid and CHIP Services

Disabled and Elderly Health Programs Group

June 26, 2019

Jen Steele, Medicaid Director
State of Louisiana
Department of Health
628 North 4th Street
P.O. Box 91030
Baton Rouge, LA 70821-9030

Dear Ms. Steele:

We have reviewed Louisiana's State Plan Amendment (SPA) 19-0018 received in the Dallas Regional Operations Group on May 15, 2019. This amendment proposes to update the single, state-specific Supplemental Rebate Agreement with drug manufacturers, entitled "*State of Louisiana Supplemental Rebate Agreement*". This Supplemental Rebate Agreement would include both fee-for-service and Medicaid Managed Care Utilization (MCO) utilization for accrual of supplemental rebates.

Based on the information provided and consistent with the regulations at 42 CFR 430.20, we are pleased to inform you that SPA 19-0018 is approved with an effective date of July 1, 2019. A copy of the updated, signed CMS-179 form, as well as the pages approved for incorporation into Louisiana's state plan will be forwarded by the Dallas Regional Operations Group.

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: Bill Brooks, Director, CMS, Dallas Regional Operations Group
Tobias Griffin, CMS, Dallas Regional Operations Group
Rebekah E. Gee MD, MPH, Secretary, State of Louisiana

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES	1. TRANSMITTAL NUMBER 19-0018	2. STATE Louisiana
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE July 1, 2019	
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 42 CFR 447 Subpart I Section 1927 of the Social Security Act (P+I)	7. FEDERAL BUDGET IMPACT a. FFY 2020 \$ <u>0</u> b. FFY 2021 \$ <u>0</u>
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 3.1-A, Item 12a, Page 4	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) SAME (TN 19-0006) Also pending TN 19-0017 Attachment 3.1-A, Item 12a, Page 4 (P+I)
10. SUBJECT OF AMENDMENT: The purpose of this SPA is to amend the provisions governing the Pharmacy Benefits Management Program in order to establish a state-specific supplemental rebate agreement (SRA) with drug manufacturer(s).	

11. GOVERNOR'S REVIEW (Check One)

GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED The Governor does not review State Plan material.
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL 	16. RETURN TO Jen Steele, Medicaid Director State of Louisiana Department of Health 628 North 4th Street P.O. Box 91030 Baton Rouge, LA 70821-9030
13. TYPED NAME Cindy Rives, designee for Rebekah E. Gee MD, MPH	
14. TITLE Secretary	
15. DATE SUBMITTED May 15, 2019	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED May 15, 2019	18. DATE APPROVED June 26, 2019
PLAN APPROVED - ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL July 1, 2019	20. SIGNATURE OF REGIONAL OFFICIAL
21. TYPED NAME Bill Brooks	22. TITLE Regional Operations Group

23. REMARKS
6-20-19 - state authorizes P+I change to box 6 and 9.

STATE OF LOUISIANA

AMOUNT, DURATION AND SCOPE OF MEDICAL AND REMEDIAL CARE AND SERVICES PROVIDED
LIMITATIONS ON THE AMOUNT, DURATION AND SCOPE OF CERTAIN ITEMS OF
PROVIDED MEDICAL AND REMEDIAL CARE AND SERVICES DESCRIBED AS FOLLOWS:

- d. Manufacturers are allowed to audit utilization data;
 - e. The unit rebate amount is confidential and cannot be disclosed for purposes other than rebate invoicing and verification; and
 - f. The Department will utilize the same processes to resolve State Supplemental rebate issues as it uses to resolve federal rebate disputes and as outlined in CMS' *Best Practices Guide for Dispute Resolution Under the Medicaid Drug Rebate Program*.
4. The Department is also in compliance with state regulations relative to the confidentiality of supplemental rebate information contained in the records of the Department and its agents.
 5. CMS has authorized the template for the State of Louisiana to enter into a single, state-specific Supplemental Rebate Agreement between the State and a drug manufacturer(s) for both fee-for-service and those paid by contracted managed care organizations (MCOs) in the Medicaid program, submitted to CMS on May 15, 2019, entitled "*State of Louisiana Supplemental Rebate Agreement*" and has been authorized by CMS effective July 1, 2019.
 6. CMS has authorized the state of Louisiana to enter into *The Optimal PDL Solution (TOP\$)*. This Supplemental Drug Rebate Agreement was submitted to CMS on November 5, 2013, and has been authorized by CMS effective October 1, 2013. The TOP\$ supplemental rebate agreements would apply to the drug benefit, both fee-for-service and those paid by contracted managed care organizations (MCOs), under prescribed conditions in Attachment A-2 of the TOP\$ Supplemental Rebate Agreement, effective May 1, 2019.

E. Single State-Managed Preferred Drug List

Effective May 1, 2019, the Department shall implement a single state-managed PDL for all participating MCOs and for fee-for-service.

Statae: Louisiana
Date Received 15 May, 2019
Date Approved: 26 June, 2019
Date Effective: 1 July, 2019
Transmittal Number: LA 19-0018

TN 19-0018
Supersedes
TN 19-0006

Approval Date June 26, 2019

Effective Date July 1, 2019