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State/Territory Name: Massachusetts

State Plan Amendment (SPA) #: 09-010-B

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
7500 Security Boulevard, Mail Stop S2-14-26
Baltimore, Maryland 21244-1850



Disabled & Elderly Health Programs Group

August 25, 2017

Marylou Sudders
Secretary
Executive Office of Health and Human Services
Office of Medicaid
One Ashburton Place, 11th Floor
Boston, MA, 02108

Attention: Kaela Konefal

Dear Ms. Sudders,

We have reviewed Massachusetts' State Plan Amendment (SPA) 09-010-B received in the Boston regional office on September 30, 2009. This amendment proposed to reimburse clotting factor obtained through the 340B program at the product's 340B ceiling price plus 1.3662 percent, plus the professional dispensing fee of 2.75 cents per unit.

We are pleased to inform you that the amendment is approved with an effective date of August 1, 2009. A copy of the CMS 179 form, as well as the page(s) approved for incorporation into the Massachusetts state plan, will be forwarded to you by the Boston regional office. If you have any questions regarding this amendment, please contact Emeka Egwim PharmD, RPh at (410) 786-1092.

Sincerely,

/s/

Meagan Khau
Deputy Director
Division of Pharmacy

cc: Richard McGreal, Associate Regional Administrator, Boston Regional Office
Julie McCarthy, Boston Regional Office
Daniel Tsai, Assistant Secretary, MassHealth
Paul Jeffrey, Director of Pharmacy, MassHealth

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

September 11, 2017

Marylou Sudders, Secretary
Executive Office of Health and Human Services
One Ashburton Place, Room 1109
Boston, Massachusetts 02108

Dear Secretary Sudders:

On August 25, 2017 our Central Office sent you a letter approving your proposed State Plan Amendment (SPA) No. 09-010-B. This letter conveys the Transmittal and Notice of Approval of State Plan Material (CMS-179) and the approved State plan pages.

SPA No. 09-010-B proposed to amend the State's approved Title XIX State plan to reimburse for blood clotting factor obtained through the 340B program at the product's 340B ceiling price plus 1.3662 percent, plus the professional dispensing fee of 2.75 cents per unit. This SPA was approved effective August 1, 2009.

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

- Attachment 4.19-B, pages 1e-1f.

If you have any questions regarding this matter you may contact Julie McCarthy at (617) 565-1244 or by e-mail at Julie.McCarthy@cms.hhs.gov.

Sincerely,

/s/

Richard R. McGreal
Associate Regional Administrator

Enclosure/s

cc: Daniel Tsai, Assistant Secretary for MassHealth, Medicaid Director
Kaela Konefal, Federal Authority Policy Analyst/State Plan Coordinator

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES		1. TRANSMITTAL NUMBER: <div style="text-align: center;">09-010-B</div>	2. STATE <div style="text-align: center;">MA</div>
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE AND MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
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		4. PROPOSED EFFECTIVE DATE <div style="text-align: center;">August 1, 2009</div>	
6. FEDERAL STATUTE/REGULATION CITATION: 42 USC 1396d(a)(12); 42CFR Part 447; 42CFR 440.120		7. FEDERAL BUDGET IMPACT: <div style="text-align: center;"> a. FFY 2009 (\$.25M)* b. FFY 2010 (\$1.6M)* *does not include new FMAP under stimulus </div>	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: <div style="text-align: center;">Attachment 4.19-B, pages 1b and 1c 1e and 1f (new)</div>		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): <div style="text-align: center;">Attachment 4.19-B, page 1b</div>	
10. SUBJECT OF AMENDMENT: <div style="text-align: center;">Antihemophilia factor (AHF) Rates</div>			
11. GOVERNOR'S REVIEW (Check One): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED Not required under <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL 42 CMR 430.12(b)(2)(ii)			
12. SIGNATURE OF STATE AGENCY OFFICIAL: <div style="text-align: center;">/s/</div>		16. RETURN TO: <div style="text-align: center;"> Michael P. Coleman State Plan Coordinator Office of Medicaid Executive Office of Health and Human Services One Ashburton Place, 11th Floor Boston, MA 02108 </div>	
13. TYPED NAME: Judy Ann Bigby, M.D.		14. TITLE: Secretary	
15. DATE SUBMITTED: 09/30/09		17. DATE RECEIVED: 09/30/2009	
FOR REGIONAL OFFICE USE ONLY			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 08/01/2009		20. SIGNATURE OF REGIONAL OFFICIAL: <div style="text-align: center;">/s/</div>	
21. TYPED NAME: Richard R. McGreal		22. TITLE: Associate Regional Administrator, Division of Medicaid & Children's Health Operations, Boston, MA	
23. REMARKS: CMS and MA agreed by email 09/07/2017 to pen&ink changes to Boxes 1, 8 and 9 to reflect those pages included in the split SPA 09-010-B.			

State Plan under Title XIX of the Social Security Act
State: Massachusetts

Methods and Standards for Establishing Payment Rates – Other Types of Care

1. Prescribed drugs, dentures, prosthetic devices, and eyeglasses.

1. **Prescribed drugs:** The fee-for-service rates are effective for services provided on or after August 1, 2009. All rates are published on http://www.mass.gov/eohhs/gov/laws-regs/hhs/community-health-care-providers-ambulatory-care.html#114_3_31, except for the rates for blood clotting factor obtained through the 340B program as described below. Except as otherwise noted in the plan, state developed rates are the same for both governmental and private providers.
 - With the exception of drugs obtained through entities participating in the program described at section 340B of Public Health Law 102-585, the Veteran's Health Act of 1992 ("340B"), payment shall not exceed the lower of the provider's usual and customary charge or
 - For multiple source drugs—the Federal Upper Limit (FUL), if any, plus the appropriate dispensing fee; or the Massachusetts Upper Limit Price (MULP), if any, plus the appropriate dispensing fee; or the Estimated Acquisition Cost (defined as wholesale acquisition cost (WAC) plus 5%), plus the appropriate dispensing fee;
 - For blood clotting factor not obtained through the 340B program--the FUL, if any, plus the appropriate dispensing fee; or the MULP, if any, plus the appropriate dispensing fee; or the Estimated Acquisition Cost (**defined as wholesale acquisition cost (WAC) plus 5%**), plus the appropriate dispensing fee; or the Medicare Part B rate, plus the appropriate dispensing fee.
 - For all other drugs not obtained through the 340B program-- the Estimated Acquisition Cost (**defined as wholesale acquisition cost (WAC) plus 5%**), plus the appropriate dispensing fee.
 - For drugs obtained through the 340B program, (other than blood clotting factor) payment shall be the Actual Acquisition Cost, plus the appropriate dispensing fee.
 - For blood clotting factor obtained through the 340B program, payment shall be the 340B ceiling price, plus 1.3662%, plus the appropriate dispensing fee.
 - Dispensing fees for prescribed drugs
 - The dispensing fee for drugs obtained through the 340B program, other than blood clotting factor, is \$10.00.
 - The dispensing fee for blood clotting factor obtained through the 340B program is 2.75 cents per unit (IU/RCo/Fu/mcg).

State Plan under Title XIX of the Social Security Act
State: Massachusetts

Methods and Standards for Establishing Payment Rates – Other Types of Care

- The dispensing fee for all other non-compounded drugs is \$3.00 per prescription.
- The dispensing fee for compounded drugs is:
 - \$3.00 per prescription, plus
 - an additional \$1.00 for compounding ointments or solutions or preparing solutions that involves the weighing of ingredients ; or
 - an additional \$2.00 for compounding suppositories or capsules, tablets, triturates or powders.

This payment methodology for prescribed drugs described in section 8.l on pages 1e and 1f of Attachment 4.19-B of TN-09-010(B) supersedes the payment methodology for prescribed drugs as described in section 8.l on page 1b of Attachment 4.19-B of TN 06-005.