

State Plan under Title XIX of the Social Security Act
State: Massachusetts
Limitations to Services Provided to the Categorically Needy

Item 11: Therapies and Related Services

Speech, occupational and physical therapies are provided in accordance with 42 CFR 440.110. Speech, occupational, and physical therapies must be goal-oriented. Diversional, recreational, and maintenance therapy are not reimbursable services..

Audiologist Services are provided in accordance with 42 CFR 440.110. The MassHealth agency does not pay for more than one hearing aid per ear per member in a 60-month period without prior authorization.

Item 12: Prescribed Drugs, Dentures, Prosthetic Services, and Eyeglasses

a. **Prescribed Drugs** - Legend FDA-approved drugs and certain non-legend over-the-counter drugs are reimbursable subject to the conditions specified in 130 CMR 406.000. Prescribers must obtain prior authorization for non-generic multiple source drugs, and for any drug identified by the Division in accordance with 130 CMR 450.303. Insulins are reimbursable for recipients without restrictions.

Active pharmaceutical ingredients (APIs) and excipients that are included in an extemporaneously compounded prescription written by an authorized prescriber and dispensed by MassHealth pharmacy providers are covered if medically necessary.

The state is in compliance with Section 1927 of the Social Security Act. Based on the requirements of Section 1927 of the Social Security Act, the state has the following policies for the supplemental rebate program for the Medicaid population:

1. The state 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.

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2. A rebate agreement between the state and a drug manufacturer for drugs provided to the Medicaid program, submitted to CMS on June 26, 2012, and entitled, "State of Massachusetts Supplemental Rebate Agreement" has been authorized by CMS.
3. Manufacturers with supplemental rebate agreements are allowed to audit utilization data. Supplemental rebates received by the state in excess of those required under the National Drug Rebate Agreement (NDRA) will be shared with the federal government on the same percentage basis as applied under the NDRA.
4. The unit rebate amount under the NDRA is confidential and cannot be disclosed in accordance with Section 1927(b)(3)(D) of the Social Security Act. No substantial changes will be made to the supplemental rebate agreement without CMS authorization. Supplemental rebates received pursuant to these agreements are only for the MassHealth program.
5. All drugs covered by the program, irrespective of a supplemental rebate agreement, will comply with the provisions of the NDRA.
6. The prior authorization process for covered outpatient drugs conforms to Section 1927(d)(5) of the Social Security Act. The prior authorization process provides for a turnaround response by either telephone or other telecommunications device within twenty-four hours of receipt of a prior authorization request. In emergency situations, providers may dispense at least a seventy-two hour supply of medication.
7. The state may agree within the terms of a supplemental rebate agreement that the covered drug(s) may or may not be subject to prior authorization, for as long as the agreement is in effect, and that the State may obtain supplemental drug rebates in either case. The state may impose prior authorization on a drug covered under this agreement in instances where the drug may be part of a "step-edit" approach to managing the preferred drug list. This 'step edit' occurs when a preferred drug does not require prior authorization and the next line drug does require prior authorization.
8. In addition to collecting rebates based on the concept of "net unit pricing", the state may continue to collect rebates based on a percentage of AMP for arrangements that were in effect prior to May 26, 2012. This type of rebate collection may be defined as a "price concession".
9. Only drugs supplied to MassHealth members will be covered under this agreement.

Effective January 1, 2006, the Medicaid agency will not cover any Part D drug for full-benefit dual eligible individuals who are entitled to receive Medicare benefits under Part A or Part B.

The Medicaid agency provides coverage for the following excluded or otherwise restricted drugs or classes of drugs, or their medical uses to all Medicaid recipients, including full benefit dual eligible beneficiaries under the Medicare Prescription Drug Benefit –Part D.

The following excluded drugs are covered:

- (a) agents when used for anorexia, weight loss, weight gain (for medically necessary appetite stimulants only)
 - (b) agents when used to promote fertility
 - (c) agents when used for cosmetic purposes or hair growth
 - (d) agents when used for the symptomatic relief cough and colds (covered only when dispensed to members residing in a nursing facility).
 - (e) prescription vitamins and mineral products, except prenatal vitamins and fluoride-containing products.
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(f) nonprescription drugs, as follows:

Allergy Agents, Ophthalmic
Analgesics
Anthelmintic Agents
Antihistamines/Decongestants
Antimicrobials, Topical
Contraceptives, Oral
Dermatologic Agents, Topical
Gastrointestinal Products
Nonoxynol-9
Otic Agents
Pediculicides/Scabicides

(g) covered outpatient drugs which the manufacturer seeks to require as a condition of sale that associated tests or monitoring services be purchased exclusively from the manufacturer or its designee

(h) barbiturates (Except for dual eligible individuals effective January 1, 2013 when used in the treatment of epilepsy, cancer or chronic mental health disorder as Part D will cover those indications)

(i) benzodiazepines (Except for dual eligible individuals effective January 1, 2013 as Part D will cover all indications)

(j) smoking cessation (except dual eligibles as Part D will cover)

The Medicaid agency provides coverage of prescription and over-the-counter (OTC) smoking/tobacco cessation covered outpatient drugs as recommended in "Treating Tobacco Use and Dependence -2008 Update: A Clinical Practice Guideline" published by the Public Health Service in May 2008 or any subsequent modification of such guideline.

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- b. **Dentures** - See **Supplement to Attachment 3.1-A**, page 3, Item 10, above.
- c. **Prosthetic Devices** - Prosthetic devices (including orthotic devices) are reimbursable subject to the conditions specified in 130 CMR 428.000 and 130 CMR 442.000.
- d. **Eyeglasses** - The following are covered services: eyeglasses, eyeglass parts, eyeglass dispensing, contact lenses and other visual aids

Services that are limited to members who meet certain clinical criteria include: tinted lenses, coated lenses, and two pairs of eyeglasses instead of bifocals, cataract lenses and contact lenses..

Services that are subject to prior authorization include: extra or spare eyeglasses; the following types of contact lenses--PMMA color vision, deficiency, gas permeable or hydrophilic toric prism ballast, gas permeable or hydrophilic bifocal; low vision aids; glass lenses; special-needs lenses; tints other than "pink 1" and "pink 2" that are available for plastic lenses only, and, polycarbonate lenses for members aged 21 or older or for any member who is amblyopic or monocular.

Exclusions consist of absorptive lenses of greater than 25% absorption, prisms obtained by decentration; contact lenses for extended wear use; invisible bifocals; and Welsh 4-drop Lens.

The volume purchase of eyeglasses limits the selection of frames and lenses to a basic assortment from the optical supplier.

Aged, Disabled, AFDC and Under 21 (cont.)

9. Clinic services.

- Provided: No limitations With limitations*
 Not provided.

10. Dental services.

- Provided: No limitations With limitations*
 Not provided.

11. Physical therapy and related services.

a. Physical therapy

- Provided: No limitations With limitations*
 Not provided.

b. Occupational therapy.

- Provided: No limitations With limitations*
 Not provided.

c. Services for individuals with speech, hearing, and language disorders (provided by or under the supervision of a speech pathologist or audiologist).

- Provided: No limitations With limitations*
 Not provided.

12. Prescribed drugs, dentures, and prosthetic devices; and eyeglasses prescribed by a physician skilled in diseases of the eye or by an optometrist

a. Prescribed drugs.

- Provided: No limitations With limitations*
 Not provided.

b. Dentures.

- Provided: No limitations With limitations*
 Not provided.

* Description provided on attachment.

** See Page 3 of **Supplement to Attachment 3.1-A.**

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