

Table of Contents

State/Territory Name: MN

State Plan Amendment (SPA) #: 13-015

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 S2-26-12
Baltimore, Maryland 21244-1850



Center for Medicaid and CHIP Services

Disabled and Elderly Health Programs Group

December 4, 2013

Ms. Ann Berg
Deputy Medicaid Director
Minnesota Department of Human Services
P.O. Box 64983
St. Paul, MN 55164-0983

Dear Ms. Berg:

We have reviewed Minnesota State Plan Amendment (SPA) 13-015, Prescribed Drugs, received in the Regional Office on September 12, 2013. This amendment proposes to update payment rates for drugs administered in outpatient settings and update coverage of vitamin and mineral products.

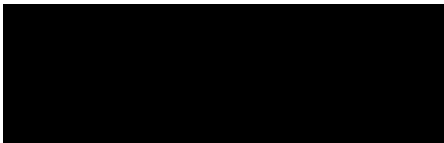
We are pleased to inform you that the amendment is approved, effective July 1, 2013. A copy of the CMS-179 form, as well as the pages approved for incorporation into the Minnesota state plan, will be forwarded by the Chicago Regional Office. If you have any questions regarding this amendment, please contact Lisa Ferrandi at (410) 786-5445.

Sincerely,

/s/

Larry Reed
Director
Division of Pharmacy

cc: Sean Barrett, Minnesota Department of Human Services
Verlon Johnson, ARA, Chicago Regional Office
Courtenay Savage, Chicago Regional Office

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTER FOR MEDICARE & MEDICAID SERVICES		1. TRANSMITTAL NUMBER: 13-15	2. STATE Minnesota
		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTER FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE July 1, 2013	
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 § 440.120(a)		7. FEDERAL BUDGET IMPACT: a. FFY '14 \$(30,000) b. FFY '15 \$(37,000)	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 3.1-A, page 46e Attachment 3.1-B, page 45e Attachment 4.19-B, page 37a		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Same	
10. SUBJECT OF AMENDMENT: Pharmacy Payment Rates			
11. GOVERNOR'S REVIEW (Check One):			
<input checked="" type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> OTHER, AS SPECIFIED:			
<input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: Sean Barrett Minnesota Department of Human Services Federal Relations Unit PO Box 64983 St. Paul, MN 55164-0983	
13. TYPED NAME: Ann Berg			
14. TITLE: Deputy Medicaid Director			
15. DATE SUBMITTED: September 12, 2013			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: September 12, 2013		18. DATE APPROVED: 12/4/13	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 7/1/13		20. SIGNATURE OF REGIONAL OFFICIAL: /s/	
21. TYPED NAME: Verlon Johnson		22. TITLE: Associate Regional Administrator	
23. REMARKS:			

STATE: MINNESOTA

Effective: July 1, 2013

TN: 13-15

Approved: 12/4/13

Supersedes: 13-02 (12-19, 05-09, 04-09, 03-36)

ATTACHMENT 3.1-A

Page 46e

12.a. Prescribed drugs. (continued)

3. The following categories of drugs are covered with limitations pursuant to §1927(d)(2):

- a) Agents when used for the symptomatic relief of cough and colds must be listed in the Department's "Minnesota Health Care Programs Provider Manual," on a remittance advice message, or in a Department-issued provider update.
- b) Prescription vitamins and mineral products for children, pregnant and nursing women, and recipients with documented vitamin deficiencies. The limitations do not apply to fluoride treatments. Prenatal vitamins are restricted to pregnant and nursing women.

~~Notwithstanding the above paragraph, some vitamins and mineral products are available for the treatment or prevention of certain diseases:~~

- ~~1) niacin;~~
- ~~2) calcium and calcium/vitamin D; and~~
- ~~3) generic preparations equivalent to OcuVite.~~

- 4. Medicaid does not cover drugs or active pharmaceutical ingredients when used for the treatment of sexual or erectile dysfunction. Sexual or erectile dysfunction drugs and active pharmaceutical ingredients are covered when used for the treatment of other conditions or indications approved by the FDA.
- 5. Medicaid 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.

STATE: MINNESOTA
Effective: July 1, 2013
TN: 13-15

ATTACHMENT 3.1-B
Page 45e

Approved: 12/4/13

Supersedes: 13-02 (12-19, 05-09, 04-09, 03-36)

12.a. Prescribed drugs. (continued)

3. The following categories of drugs are covered with limitations pursuant to §1927(d)(2):

- a) Agents when used for the symptomatic relief of cough and colds must be listed in the Department's "Minnesota Health Care Programs Provider Manual," on a remittance advice message, or in a Department-issued provider update.
- b) Prescription vitamins and mineral products for children, pregnant and nursing women, and recipients with documented vitamin deficiencies. The limitations do not apply to fluoride treatments. Prenatal vitamins are restricted to pregnant and nursing women.

~~Notwithstanding the above paragraph, some vitamins and mineral products are available for the treatment or prevention of certain diseases:~~

- ~~4) niacin;~~
- ~~5) calcium and calcium/vitamin D; and~~
- ~~6) generic preparations equivalent to OcuVite.~~

- 4. Medicaid does not cover drugs or active pharmaceutical ingredients when used for the treatment of sexual or erectile dysfunction. Sexual or erectile dysfunction drugs and active pharmaceutical ingredients are covered when used for the treatment of other conditions or indications approved by the FDA.
- 5. Medicaid 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.

STATE: MINNESOTA
Effective: July 1, 2013
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ATTACHMENT 4.19-B
Page 37a

Approved: 12/4/13

Supersedes: 11-16 (10-01, 08-13, 07-12, 07-04, 05-09/04-15(a)/03-29)

12a. Prescribed Drugs (continued);

For drugs administered in an outpatient setting, payment for prescription drugs is the lower of the provider's usual and customary charge to the general public, ~~or~~ 106% of the average sales price, or the maximum allowable cost set by the State Agency. If the average sales price is not available, payment will be the lower of the provider's usual and customary charge to the general public, ~~or~~ the wholesale acquisition cost, or the maximum allowable cost set by the State Agency.

Effective for services provided on or after October 1, 2011, the rate for specialty pharmacy products is the maximum allowable cost set by the State Agency. The rate used is dependent upon the actual acquisition cost for the product. Specialty pharmacy products are those used by a small number of recipients or recipients with complex and chronic diseases that require expensive and challenging drug regimens.