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State/Territory Name: Mississippi

State Plan Amendment (SPA) #: 14-012

This file contains the following documents in the order listed:

- 1) RO Follow-Up Approval Letter
- 2) Pharmacy Approval Letter
- 3) CMS 179 Form
- 4) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Atlanta Regional Office
61 Forsyth Street, Suite 4T20
Atlanta, Georgia 30303



DIVISION OF MEDICAID & CHILDREN'S HEALTH OPERATIONS

July 28, 2014

Dr. David J. Dzielak
Executive Director
Mississippi Division of Medicaid
550 High Street, Suite 1000
Jackson, Mississippi 39201-1399

Attention: Kristi Plotner

RE: Title XIX State Plan Amendment, MS 14-012

Dear Dr. Dzielak:

This is to affirm approval of the above referenced State Plan Amendment which was submitted to the Regional Office on March 17, 2014. The State's requested effective date of July 1, 2014 has been accepted.

Enclosed for your records are:

1. a copy of the approval letter dated July 22, 2014 that was submitted to the State by Joseph Fine, Acting Director, Division of Pharmacy;
2. the original signed 179; and
3. the approved plan page.

If you have any additional questions regarding this amendment, please contact Tandra Hodges, State Coordinator for Mississippi at 404-562-7409.

Sincerely,

//s//

Jackie Glaze
Associate Regional Administrator
Division of Medicaid & Children's Health Operations

Enclosures

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

July 22, 2014

David J. Dzielak
Executive Director
Mississippi Division of Medicaid
550 High Street, Suite 1000
Jackson, MS 39201-1399

Dear Mr. Dzielak:

We have reviewed Mississippi State Plan Amendment (SPA) 14-012, Prescribed Drugs, received in the Atlanta Regional Office on March 17, 2014. This amendment proposes to revise the Sovereign States Drug Consortium (SSDC) Supplemental Rebate Agreement (SRA) previously submitted to CMS on September 12, 2012, to allow supplemental rebates to be collected on coordinated care claims. This amendment also implements a uniform Preferred Drug List (PDL) for fee-for-service and coordinated care pharmacy claims. We are pleased to inform you that the amendment is approved effective July 1, 2014.

We believe that the Mississippi SSDC SRA continues to be consistent with the objectives of the Medicaid program. Please note that this authorization extends only to the revised SRA, attachments and schedules included in this approval packet which will replace the current SRA packet submitted to CMS on September 12, 2012. Inclusion of the managed care organization (MCO) utilization under the Mississippi SSDC SRA is optional and at the sole discretion of each member state.

A copy of the CMS-179 form, as revised, as well as the pages approved for incorporation into the Mississippi state plan will be forwarded to you by the Atlanta Regional Office. If you have any questions regarding this SPA, please contact Wendy Tuttle at (410) 786-8690.

Sincerely,

/s/

Joseph Fine
Acting Director
Division of Pharmacy

cc: Jackie Glaze, ARA, DMCHO, Atlanta Regional Office
Tandra Hodges, Atlanta Regional Office

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 14-012	2. STATE MS
FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE AND MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE July 1, 2014	
5. TYPE OF PLAN MATERIAL (<i>Check One</i>):			
<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 (<i>Separate Transmittal for each amendment</i>)			
6. FEDERAL STATUTE/REGULATION CITATION: Social Security Act § 127		7. FEDERAL BUDGET IMPACT: N/A	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 3. 1-A Exhibit 12a, pages 3 and 4		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>): Attachment 3. 1-A Exhibit 12a, pages 3 and 4	
10. SUBJECT OF AMENDMENT: SPA 2014-012 is being submitted to allow supplemental rebates to be collected on coordinated care claims and implement a uniform PDL for fee-for-service and coordinated care pharmacy claims.			
11. GOVERNOR'S REVIEW (<i>Check One</i>):			
<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: /s/		16. RETURN TO: David J. Dzielak Miss. Division of Medicaid Attn: Kristi Plotner 550 High Street, Suite 1000 Jackson, MS 39201-1399	
13. TYPED NAME: David J. Dzielak			
14. TITLE: Executive Director			
15. DATE SUBMITTED: March 17, 2014			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 03/17/14		18. DATE APPROVED: 07-22-14	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 07/01/14		20. SIGNATURE OF REGIONAL OFFICIAL: /s/	
21. TYPED NAME: Jackie Glaze		22. TITLE: Associate Regional Administrator Division of Medicaid & Children Health Opns	
23. REMARKS: Approved with the following change to items 6 and 7 as authorized by State Agency RAI Response dated 06/30/14:			
Block # 6 Changed to read: Section 1927 of the Social Security Act.			
Block #7 Changed to read: FFY 2014 \$0 and FFY 2015 \$0.			

State of Mississippi

**DESCRIPTIONS OF LIMITATIONS AS TO AMOUNT, DURATION AND SCOPE OF MEDICAL CARE
AND SERVICE PROVIDED**

Supplemental Rebate Agreements:

The state, or the state in consultation with the Sovereign States Drug Consortium, may negotiate supplemental rebate agreements that would reclassify any drug not designated as preferred in the baseline listing for as long as the agreement is in effect. A rebate agreement between the state and a drug manufacturer for drugs provided to the Medicaid program, submitted to the Centers for Medicare & Medicaid Services (CMS) on December 27, 2005 and entitled, "State of Mississippi Supplemental Rebate Agreement", has been authorized by CMS. CMS authorized the State of Mississippi to enter into the "Sovereign States Drug Consortium (SSDC)" multi-state purchasing pool. The supplemental rebate agreement submitted to CMS on September 7, 2012, entitled, "State of Mississippi Supplemental Rebate Agreement", has been authorized by CMS. CMS authorized the revised multi-state SSDC agreement submitted on March 17, 2014, for the Division of Medicaid population to cover supplemental rebates for fee-for-services and coordinated care Medicaid programs, effective July 1, 2014.

An Agreement may not be amended or modified without the authorization of CMS.

Based on the requirements for Section 1927 of the Act, the Division of Medicaid will comply with the following policies for drug rebate agreements:

- The drug file permits coverage of participating manufacturers' drugs.
- The Division of Medicaid may require prior authorization for covered outpatient drugs. Non-preferred drugs are available with prior authorization.
- The prior authorization process for covered outpatient drugs will conform to the provisions of section 1927 (d) (5) of the Social Security Act.
- The Division of Medicaid will comply with the drug reporting requirements for state utilization information and restriction to coverage.
- Supplemental rebate agreement between the DOM and a pharmaceutical manufacturer will be separate from federal rebates and are in excess of those required under the national drug rebate agreement.
- The state agrees to report all rebates from manufacturers to the Secretary for Health and Human Services. The state will remit the federal portion of any state supplemental rebates collected.
- The Division of Medicaid will allow all participating manufacturers to audit utilization data.
- The unit rebate amount will be held confidential and will not be disclosed for purposes other than rebate invoicing and verification.

State of Mississippi

**DESCRIPTIONS OF LIMITATIONS AS TO AMOUNT, DURATION AND SCOPE OF MEDICAL CARE
AND SERVICES PROVIDED.**

Preferred Drug List:

In accordance with Section 1927 of the Social Security Act, the state has established a preferred drug list (PDL).

The Preferred Drug List (PDL) is a list of drugs, which have been reviewed and recommended by the Pharmacy and Therapeutics (P&T) Committee, a group of physicians, pharmacists, and nurse practitioners, and approved by the Executive Director of the Division of Medicaid.

The Preferred Drug List contains a wide range of generic and preferred brand name products that have been approved by the FDA. A medication becomes a preferred drug based first on safety and efficacy, then on cost-effectiveness. Drugs on the PDL are as effective as non-preferred drugs, but offer economic benefits for the beneficiaries and the State of Mississippi.

Drugs must be prescribed and dispensed in accordance with medically accepted indications for uses and dosages. No payment will be made under the Medicaid program for services, procedures, supplies or drugs which are still in clinical trials and/or investigative or experimental in nature.

As of July 1, 2014, the Division of Medicaid's coordinated care organizations (CCO), otherwise known as MississippiCan, will follow the Division of Medicaid's PDL.