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State/Territory Name: North Carolina

State Plan Amendment (SPA) #: 12-021

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

February 26, 2013

Ms. Carol Steckel, M.P.H.
Director
North Carolina Department of Health and Human Services
Division of Medical Assistance
2501 Mail Service Center
Raleigh, North Carolina 27699-2501

Re: North Carolina Title XIX State Plan Amendment, Transmittal #12-021

Dear Ms. Steckel:

This is to affirm approval of the above referenced State Plan Amendment which was submitted to the Regional Office on December 17, 2012. The State's requested effective date of January 1, 2013 has been accepted.

Enclosed for your records are:

1. a copy of the approval letter dated February 7, 2013 that was submitted to the State by Larry Reed, Director, Division of Pharmacy;
2. the original signed 179; and
3. the approved plan pages.

If you have any questions regarding this amendment, please contact Elaine Elmore, State Coordinator for North Carolina, at 404-562-7408.

Sincerely,

//s//

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

Enclosure(s)

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

February 7, 2013

Albert A Delia
Office of the Secretary
Department of Health and Human Services
2001 Mail Service Center
Raleigh, NC 27699-2001

Dear Mr. Delia:

We have reviewed North Carolina's State Plan Amendment (SPA) 12-021, received in the Regional Office on December 17, 2012. It reflects changes in pharmacy coverage required by Section 175 of the Medicare Improvement for Patients and Providers Act of 2008 which amended section 1860D-2(e)(2)(A) of the Act to include barbiturates "used in the treatment of epilepsy, cancer, or chronic mental health disorder" and benzodiazepines in Part D drug coverage.

We are pleased to inform you that the amendment is approved, effective January 1, 2013. A copy of the CMS-179 form, as well as the pages approved for incorporation into the North Carolina state plan, will be forwarded by the Atlanta Regional Office.

If you have any questions regarding this amendment, please contact Delaine Deardorff-Beck at (410) 786-2991.

Sincerely,

/s/

Larry Reed
Director
Division of Pharmacy

cc: Michael Watson, Director – Division of Medical Assistance
Jackie Glaze, ARA, Atlanta Regional Office
Elaine Elmore, Atlanta Regional Office

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: HEALTH CARE FINANCING ADMINISTRATION		1. TRANSMITTAL NUMBER: 12-021	2. STATE NC
		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE January 1, 2013	
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: Section 1860D-2(e)(2)(A) of the SSA		7. FEDERAL BUDGET IMPACT: a. FFY 2013 (\$2,463,891) b. FFY 2014 (\$3,438,459)	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 3.1-A.1, Page 14h and Attachment 3.1-B.1, Page 3		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>): Attachment 3.1-A.1, Page 14h and Attachment 3.1-B.1, Page 3	
10. SUBJECT OF AMENDMENT: Pharmacy			
11. GOVERNOR'S REVIEW (<i>Check One</i>): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: SECRETARY <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: Office of the Secretary Department of Health and Human Services 2001 Mail Service Center Raleigh, NC 27699-2001	
13. TYPED NAME: Albert A. Delia			
14. TITLE: Secretary			
15. DATE SUBMITTED: 12/17/14			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 12/17/12		18. DATE APPROVED: 02/07/13	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 01/01/13		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 changes to item 8 and 9 as authorized by State Agency e-mails dated 02/25/13: Block # 8 Changed to read: Attachment 3.1-A.1, page 14h and 3.1-B.1 pages 3 and 4. Block # 9 Changed to read: Attachment 3.1-A.1, page 14h and 3.1-B.1 pages 3 and 4.			

State Plan Under Title XIX of the Social Security Act
Medical Assistance Program
State: NORTH CAROLINA

Medicaid Program: Requirements Relating to Covered Outpatient Drugs for the Categorically Needy

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12.a. PRESCRIBED DRUGS continued

Citation (s)

Provision (s)

USC 1927(d)(2) and
1935(d)(2)

(b) All Barbiturates. (Except for dual eligible individuals effective January 1, 2013 when used in the treatment of epilepsy, cancer or a chronic mental health disorder as Part D will cover these indications)

(c) All Benzodiazepines (Except for dual eligible individuals effective January 1, 2013 as Part D will cover all indications)

(d) Agents when used to promote smoking cessation (non-duals only). NC will cover legend products for the non-duals. NC will cover for the duals (when not covered by the PDPs) and non-duals selected rebateable OTC products. Some examples are: Nicoderm CQ, Nicotrol, Commit, and Nicorette Gum.

- (2) The following excluded drugs are not covered:
- (a) Agents when used for anorexia, weight loss, weight gain
 - (b) Agents when used to promote fertility
 - (c) Agents when used for cosmetic purposes or hair growth
 - (d) 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
 - (e) Agents when used for the symptomatic relief of cough and colds. All legend products that contain expectorants or cough suppressants. Examples are:
expectorant/antitussive combination,
antihistamine/decongestant/antitussive combination, antihistamine/decongestant/expectorant combination, antihistamine/decongestant/expectorant/antitussive combination, antihistamine/expectorant combination, antihistamine/antitussive, antitussive/decongestant/analgesic/ expectorant, and antitussive/decongestant/analgesic.
 - (f) All legend vitamins and mineral products, except prenatal vitamins and fluoride.

State Plan Under Title XIX of the Social Security Act
Medical Assistance Program
State: NORTH CAROLINA

Medicaid Program: Requirements Relating to Covered Outpatient Drugs for the Medically Needy

12.a. PRESCRIBED DRUGS *continued*

Citation (s)	Provision (s)
USC 1927(d)(2) and 1935(d)(2)	<p>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.</p> <p>(1) The following excluded drugs are covered:</p> <p><input checked="" type="checkbox"/> (a) Non-prescription drugs</p> <p>North Carolina (NC) will only cover selected rebateable over the counter (OTC) products when not covered by the prescription drug plans (PDPs). Examples of OTC drugs covered are: Insulin products, non-sedating antihistamines e.g. Loratadine OTC and Claritin OTC, proton pump inhibitors e.g. Prilosec OTC.</p>
USC 1927(d)(2) and 1935(d)(2)	<p><input checked="" type="checkbox"/> (b) All Barbiturates (Except for dual eligible individuals effective January 1, 2013 when used in the treatment of epilepsy, cancer or a chronic mental health disorder as Part D will cover those indications)</p> <p><input checked="" type="checkbox"/> (c) All Benzodiazepines (Except for dual eligible individuals effective January 1, 2013 as Part D will cover all indications)</p> <p><input checked="" type="checkbox"/> (d) Agents when used to promote smoking cessation (non-duals only). NC will cover legend products the non-duals. NC will cover for the duals (when not covered by the PDPs) and non-duals selected rebateable OTC products. Some examples are: Nicoderm CQ, Nicotrol, Commit, and Nicorette Gum.</p>

TN No.: 12-021
Supersedes
TN No.: 09-026

Approval Date: 02-07-13

Effective Date: 01-01-2013

State Plan Under Title XIX of the Social Security Act
Medical Assistance Program
State: NORTH CAROLINA

Medicaid Program: Requirements Relating to Covered Outpatient Drugs for the Medically Needy
12.a. PRESCRIBED DRUGS *continued*

Citation (s)	Provision (s)
	(2) The following excluded drugs are not covered: <ul style="list-style-type: none">(a) Agents when used for anorexia, weight loss, weight gain(b) Agents when used to promote fertility(c) Agents when used for cosmetic purposes or hair growth(d) 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(e) Agents when used for the symptomatic relief of cough and colds. All legend products that contain expectorants or cough suppressants. Examples are: expectorant/antitussive combination, antihistamine/decongestant/antitussive combination, antihistamine/decongestant/ expectorant combination, antihistamine/decongestant/ expectorant/antitussive combination, antihistamine/expectorant combination, antihistamine/antitussive, antitussive/decongestant/ analgesic/expectorant, and antitussive/decongestant/ analgesic.(f) All legend vitamins and mineral products, except prenatal vitamins and fluoride.

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