

## **Table of Contents**

**State/Territory Name: Ohio**

**State Plan Amendment (SPA) #: 18-011**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 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



**Center for Medicaid and CHIP Services**

**Disabled and Elderly Health Programs Group**

August 23, 2018

Ms. Barbara R. Sears  
State Medicaid Director  
Ohio Department of Medicaid  
P.O. Box 182709  
Columbus, OH 43218

Dear Ms. Sears:

We have reviewed Ohio's State Plan Amendment (SPA) 18-011, Prescribed Drugs: Changes to Preferred Drug List Policy and Update to Supplemental Rebate Agreement, received in the Chicago Regional Office on June 19, 2018. This amendment proposes to stop implementation of OH SPA TN 17-041. The Ohio Department of Medicaid (ODM) has adopted an internal policy change, and will not implement a single preferred drug list (PDL). ODM will remove references to single PDL from the Supplemental Rebate Agreement and Attachment 3.1-A, Item 12.

Based on the information provided, we are pleased to inform you that, consistent with the regulations at 42 CFR 430.20, SPA18-011 is approved with an effective date of July 1, 2018. A copy of the signed CMS-179 form, as revised, as well as the pages approved for incorporation into the Ohio state plan will be forwarded by the Chicago Regional Office.

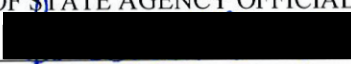
If you have any questions regarding this amendment, please contact Yolonda Williams at (410) 786-6618 or [yolonda.williams@cms.hhs.gov](mailto:yolonda.williams@cms.hhs.gov).

Sincerely,

/s/

John M. Coster, Ph.D., R.Ph.  
Director  
Division of Pharmacy

CC: Ruth A. Hughes, ARA, CMS, Chicago Regional Office  
Carolyn Humphrey, Ohio Department of Medicaid  
Tracey Archibald, Ohio Department of Medicaid

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|--|--|--|-------------------------|
| <b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>   |  | 1. TRANSMITTAL NUMBER:<br><b>18-011</b>  | 2. STATE<br><b>OHIO</b> |
| <b>FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES</b>   |  | 3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)   |                         |
| TO: REGIONAL ADMINISTRATOR<br>CENTERS FOR MEDICARE & MEDICAID SERVICES<br>DEPARTMENT OF HEALTH AND HUMAN SERVICES  |  | 4. PROPOSED EFFECTIVE DATE<br><b>July 1, 2018</b>  |                         |
| 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"/> <b>AMENDMENT</b><br>COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT ( <i>Separate Transmittal for each amendment</i> ) |  |  |                         |
| 6. FEDERAL STATUTE/REGULATION CITATION:<br>42 USC Section 1396r-8  |  | 7. FEDERAL BUDGET IMPACT:<br>a. FFY    \$0<br>b. FFY    \$0  |                         |
| 8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:<br><br>Attachment 3.1-A, Item 12-a, page 1   |  | 9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT ( <i>If Applicable</i> ):<br><br>Attachment 3.1-A, Item 12-a, page 1 (TN 17-041) |                         |
| 10. SUBJECT OF AMENDMENT: Prescribed Drugs: Changes to Preferred Drug List Policy and Update to Supplemental Rebate Agreement  |  |  |                         |
| 11. GOVERNOR'S REVIEW ( <i>Check One</i> ):  |  |  |                         |
| <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT<br><input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED<br><input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL  |  | <input checked="" type="checkbox"/> OTHER, AS SPECIFIED:<br>The State Medicaid Director is the Governor's designee                           |                         |
| 12. SIGNATURE OF STATE AGENCY OFFICIAL:<br>   |  | 16. RETURN TO:<br><br>Carolyn Humphrey<br>Ohio Department of Medicaid<br>P.O. BOX 182709<br>Columbus, Ohio 43218                             |                         |
| 13. TYPED NAME: <b>BARBARA R. SEARS</b>  |  |  |                         |
| 14. TITLE: <b>STATE MEDICAID DIRECTOR</b>  |  |  |                         |
| 15. DATE SUBMITTED: <b>June 19, 2018</b>   |  |  |                         |
| <b>FOR REGIONAL OFFICE USE ONLY</b>  |  |  |                         |
| 17. DATE RECEIVED:<br><b>June 19, 2018</b>   |  | 18. DATE APPROVED:<br><b>August 23, 2018</b>   |                         |
| <b>PLAN APPROVED – ONE COPY ATTACHED</b>   |  |  |                         |
| 19. EFFECTIVE DATE OF APPROVED MATERIAL:<br><b>July 1, 2018</b>  |  | 20. SIGNATURE OF REGIONAL OFFICIAL: <i>/s/</i>   |                         |
| 21. TYPED NAME:<br><b>Ruth A. Hughes</b>   |  | 22. TITLE:<br><b>Associate Regional Administrator</b>  |                         |
| 23. REMARKS:   |  |  |                         |

**Instructions on Back**

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

Coverage of prescribed drugs meets all reporting requirements and provisions of section 1927 of the Social Security Act, including the following requirements as found in Section 1927(d)(5) of the Act:

The prior authorization program provides a response by telephone or other telecommunication device within 24 hours of a request.

The prior authorization program provides for the dispensing of at least a 72-hour supply of a covered drug in an emergency situation.

**PREFERRED DRUG LIST**

Pursuant to 42 U.S.C. Section 1396r-8 the state is establishing a preferred drug list with prior authorization for drugs not included on the preferred drug list. Prior authorization may be established for certain drug classes, particular drugs or medically accepted indication for uses or doses.

**SUPPLEMENTAL REBATES**

Based on the requirements in Section 1927 of the Social Security Act, the state has the following policies for the supplemental rebate program for Medicaid recipients:

Supplemental rebates will be accepted from manufacturers according to the supplemental drug-rebate agreement. Supplemental rebates received pursuant to these agreements are only for the Medicaid program.

All drugs covered by the program, irrespective of the requirement to be prior authorized, will comply with the provisions of the national drug rebate agreement.

CMS has authorized Ohio to enter into “the Sovereign States Drug Consortium (SSDC)” Medicaid multi-state purchasing pool. The updated “Ohio Medicaid Supplemental Rebate Agreement” between the State and participating manufacturers for drugs provided to the Medicaid program, submitted to CMS on October 24, 2016 supersedes the “Ohio Supplemental Drug Rebate Agreement” approved in OH SPA TN 07-001. CMS has authorized the updated agreement. The updated agreement applies to drugs dispensed effective January 1, 2017.

The unit rebate amount is confidential and cannot be disclosed in accordance with Section 1927(b)(3)(d) of the Social Security Act.

Supplemental drug rebates received under this agreement by the state that are in excess of those required under the National Drug Rebate Agreement will be shared with the federal government on the percentage basis required by law.