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State/Territory Name: South Carolina

State Plan Amendment (SPA) #: 19-0009

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
61 Forsyth Street S.W. Suite 4T20
Atlanta, Georgia 30303



Atlanta Regional Operations Group

January 7, 2020

Mr. Joshua D. Baker, Director
SC Department of Health and Human Services
Post Office Box 8206
Columbia, South Carolina 29202-8206

Attention: Sheila Chavis

Re: South Carolina State Plan Amendment 19-0009

Dear Mr. Baker:

This is to affirm approval of the above-referenced State Plan Amendment, which was submitted to the Atlanta Regional Operations Group on September 30, 2019. The state's requested effective date of July 1, 2019 has been accepted.

Enclosed for your records are:

1. a copy of the approval letter dated December 23, 2019 that was submitted to the state by John M. Coster, Director, Division of Pharmacy;
2. the original signed 179; and
3. the approved plan pages.

If you have any additional questions or need further assistance, please contact Maria Drake at (404) 562-3697 or Maria.Drake@cms.hhs.gov.

Sincerely,

/s/

David R. Kimble
Acting Deputy Director
Division of Medicaid Field Operations South

Enclosures

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

December 23, 2019

Joshua Baker, Director
South Carolina Department of Health and Human Services
Post Office Box 8206
Columbia, South Carolina 29202-8206

Dear Mr. Baker:

We have reviewed South Carolinas' State Plan Amendment (SPA) 19-0009, received in the Atlanta Regional Operations Group on September 30, 2019. This amendment proposes to update the reimbursement methodology for drugs procured through the 340B program to allow for claim-level identification of 340B drugs.

In keeping with the requirements of section 1902 (a)(30)(A) of the Social Security Act, we believe the state has demonstrated that their reimbursement is consistent with efficiency, economy, and quality of care, and are sufficient to ensure that care and services are available to Medicaid beneficiaries at least to the extent they are available to the general population in the geographic area. South Carolina has provided justification for the \$10.50 professional dispensing fee (PDF).

Based on the information provided, we are pleased to inform you that, consistent with the regulations at 42 CFR 430.20, SPA 19-0009 is approved with an effective date of July 1, 2019. A copy of the signed CMS-179 form, as well as the pages approved for incorporation into the South Carolina state plan will be forwarded by the Atlanta Regional Operations Group.

If you have any questions regarding this amendment, please contact Mickey Morgan at (410) 786-4048 or mickey.morgan@cms.hhs.gov.

Sincerely,

/s/

Cynthia R. Denemark, R.Ph.
Deputy Director
Division of Pharmacy

cc: William Wynn, Pharmacy Director
Bryan Amick, Deputy Director of Health Programs
Shelia Chavis, Senior Consultant
Davida Kimball, Acting Deputy Director, CMS Division of Medicaid Field Operations South

Maria Drake, CMS Regional Operations Group
Mary Holly, CMS Regional Operations Group

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER 19-0009	2. STATE SC
3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
4. PROPOSED EFFECTIVE DATE July 1, 2019	

TO: REGIONAL ADMINISTRATOR
CENTERS FOR MEDICARE & MEDICAID SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

5. TYPE OF PLAN MATERIAL (*Check One*)

NEW STATE PLAN AMENDMENT TO BE CONSIDERED AS NEW PLAN AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate transmittal for each amendment*)

6. FEDERAL STATUTE/REGULATION CITATION 42 CFR § 447.518	7. FEDERAL BUDGET IMPACT a. FFY 2019 \$102,000 (\$571,000 x 71.22% x 25%) b. FFY 2020 \$404,000 (\$571,000 x 70.70%)
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.19-B, page 3d. (New page)	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>)

10. SUBJECT OF AMENDMENT: This plan amendment will update the reimbursement methodology for drugs procured through the 340B program to allow for claim-level identification of 340B drugs.

11. GOVERNOR'S REVIEW (*Check One*)

GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED Mr. Baker was designated by the
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL Governor to review and approve all
State Plans.

12. SIGNATURE OF STATE AGENCY OFFICIAL	16. RETURN TO South Carolina Department of Health and Human Services Post Office Box 8206 Columbia, South Carolina 29202-8206
13. TYPED NAME Joshua D. Baker	
14. TITLE Director	
15. DATE SUBMITTED September 27, 2019	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED 09/30/19	18. DATE APPROVED 12/23/19
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PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL 07/01/19	20. SIGNATURE OF REGIONAL OFFICIAL /s/
21. TYPED NAME Davida R. Kimble	22. TITLE Acting Deputy Director Division of Medicaid Field Operations South

23. REMARKS

340B Providers

For prescription drugs purchased through the 340B program and provided by a covered entity, payment shall be limited to the provider's actual acquisition cost for purchasing the medication plus a professional dispensing fee of \$10.50.

Drugs acquired through the 340B drug pricing program and dispensed by 340B contract pharmacies are not covered.

For drugs purchased outside of the 340B program, reimbursement shall be determined using the Standard Basis for Payment.

SC: 19-0009
EFFECTIVE DATE: 07/01/19
RO APPROVAL: 12/23/19
SUPERSEDES: New Page