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State/Territory Name: Tennessee

State Plan Amendment (SPA) #: 20-0002

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

May 22, 2020

Mr. Stephen Smith
Director, Division of TennCare
310 Great Circle Road
Nashville, Tennessee 37243

Dear Mr. Smith:

The CMS Division of Pharmacy team has reviewed Tennessee State Plan Amendment (SPA) 20-0002 received in the CMS Division of Program Operations on March 31, 2020. This SPA proposes to authorize the state to transfer all of the drugs on the Prescriber Attestation List to the Automatic Exemption List.

Based on the information provided and consistent with the regulations at 42 CFR 430.20, we are pleased to inform you that SPA 20-0002 is approved with an effective date of March 1, 2020. A copy of the signed CMS-179 form, as well as the pages approved for incorporation into Tennessee's state plan, will be forwarded by the CMS Division of Program Operations.

If you have any questions regarding this request, please contact Lisa Shochet at (410) 786-5445 or Lisa.Shochet@cms.hhs.gov.

Sincerely,

/s/

Cynthia R. Denemark, R.Ph.
Deputy Director
Division of Pharmacy
DEHPG/CMCS/CMS

cc: Aaron Butler, Director of Policy, Division of TennCare
Jonathan Reeve, TN Dept of Finance and Administration, Division of TennCare
James G. Scott, Division Director, CMS Division of Program Operations
Tandra Hodges, CMS Division of Program Operations

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: TENNESSEE

LIMITATION ON AMOUNT DURATION AND SCOPE OF MEDICAL
CARE AND SERVICES PROVIDED

12. Prescribed drugs, dentures, and prosthetic devices; and eyeglasses prescribed by a physician skilled in diseases of the eye or by an optometrist.

12.a. Prescribed drugs

(1) Prescription outpatient drugs of any manufacturer which has entered into and complies with an agreement under Section 1927(a) of the Social Security Act will be a covered benefit for all TennCare members when prescribed by an authorized licensed prescriber, unless coverage is excluded or otherwise restricted by TennCare in accordance with the following:

(a) TennCare will not cover any drugs that are permitted to be excluded or restricted under the Social Security Act, Section 1927(d)(2), except agents when used to promote smoking cessation. Effective January 1, 2006, the Medicaid agency will not cover any Medicare Part D drug for full benefit dual eligible individuals who are entitled to receive Medicare benefits under Part A or Part B.

(b) Coverage of prescription drugs will be limited to five (5) prescriptions per month, pursuant to which at least three (3) out of any five (5) prescriptions or refills in the same month must be generic and no more than two (2) prescriptions or refills in the same month may be for brand name (branded) products. Any branded prescriptions are subject to a requirement of prior authorization by the TennCare Bureau as a condition of coverage, and the State shall designate the covered outpatient drugs to which a prior authorization requirement applies. The monthly coverage limitation shall not apply to medications included on a list to be maintained by the State in accordance with the State's Uniform Administrative Procedures Act. Pharmacies, providers and beneficiaries shall be made aware of this list through appropriate notice. Individuals under the age of 21 who are receiving benefits under the EPSDT Program, as well as individuals 21 years of age or older who receive services in nursing facilities (NFs) or in intermediate care facilities for individuals with intellectual disabilities (ICFs/IID), will not be subject to this benefit limit.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: TENNESSEELIMITATION ON AMOUNT DURATION AND SCOPE OF MEDICAL
CARE AND SERVICES PROVIDED

- (c) Buprenorphine and buprenorphine/naloxone products and sedative hypnotics for persons aged 21 and older are restricted to the quantity limits specified below:
- (i) Generic buprenorphine, Subutex (buprenorphine), and Suboxone (buprenorphine/naloxone) products shall not exceed sixteen milligrams (16 mg) per day for a period of up to six (6) months from the initiation of therapy. For enrollees who are pregnant while receiving this dosage, the six-month period does not begin until the enrollee is no longer pregnant. At the end of either six-month period, the covered dosage amount shall not exceed eight milligrams (8 mg) per day.
 - (ii) Sedative hypnotic medications shall not exceed fourteen (14) pills per month for sedative hypnotic formulations in pill form such as Ambien and Lunesta, one hundred forty milliliters (140 ml) per month of chloral hydrate, or one (1) bottle every sixty (60) days of Zolpimist.
- (2) No payment will be made for an innovator multiple source drug (brand name drug) if, under applicable State law, a less expensive multiple source drug could have been dispensed, but only to the extent that such amount exceeds the upper payment limit for such multiple source drug. In the event a prescriber indicates on the face of the prescription (“dispense as written”) that he is requiring a specific brand name drug be dispensed for a specific TennCare member or if a TennCare member appeals coverage of a generic drug and the appeal process

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(b) Coverage of prescription drugs for Medically Needy beneficiaries will be limited to five (5) prescriptions per month, pursuant to which at least three (3) out of any five (5) prescriptions or refills in the same month must be generic and no more than two (2) prescriptions or refills in the same month may be for brand name (branded) products. Any branded prescriptions are subject to a requirement of prior authorization by the TennCare Bureau as a condition of coverage, and the State shall designate the covered outpatient drugs to which a prior authorization requirement applies. The monthly coverage limitation shall not apply to medications included on a list to be maintained by the State in accordance with the State's Uniform Administrative Procedures Act. Pharmacies, providers and beneficiaries shall be made aware of this list through appropriate notice. Individuals under the age of 21 who are receiving benefits under the EPSDT Program, as well as individuals 21 years of age or older who receive services in nursing facilities (NFs) or in intermediate care facilities for individuals with intellectual disabilities (ICFs/IID), will not be subject to this benefit limit.

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