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State/Territory Name: Washington

State Plan Amendment (SPA) #: 17-0043

This file contains the following documents in the order listed:

- 1) Supplemental Letter
- 2) Approval Letters
- 3) CMS 179 Form
- 4) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Seattle Regional Office
701 Fifth Avenue, Suite 1600, MS/RX-200
Seattle, WA 98104



Division of Medicaid & Children's Health Operations

February 27, 2018

Susan Birch, Director
Health Care Authority
P O Box 42716
Olympia, WA 98504-2716

RE: Washington State Plan Amendment (SPA) Transmittal Number 17-0043

Dear Ms. Birch:

The Centers for Medicare & Medicaid Services (CMS), Pharmacy Team, recently approved State Plan Amendment (SPA) 17-0043, effective January 1, 2018. The SPA implements a single Medicaid Apple Health Preferred Drug List (PDL), to be used by Washington's contracted Medicaid managed care organizations (MCOs) and the fee-for-service (FFS) program.

Enclosed you will find a copy of the official CMS Form 179, amended state plan pages, and copy of the February 20, 2018, approval letter from the CMS Pharmacy Team for your records.

If you have any questions, please contact me, or your staff may contact Maria Garza at maria.garza@cms.hhs.gov or (206) 615-2542.

Sincerely,

Digitally signed by David L. Meacham -S

A solid black rectangular box used to redact the signature of David L. Meacham.

David L. Meacham
Associate Regional Administrator

Enclosure

cc:
MaryAnne Lindeblad, HCA
Ann Myers, HCA



Center for Medicaid and CHIP Services

Disabled and Elderly Health Programs Group

February 20, 2018

Susan Birch, Director
MaryAnne Lindeblad, Medicaid Director
Health Care Authority
PO Box 45502
Olympia, WA 98504-5010

Dear Ms. Birch and Ms. Lindeblad:

We have reviewed Washington State Plan Amendment (SPA) 17-0043, Single Preferred Drug List, received in the Seattle Regional Office on December 12, 2017. Under this SPA, Washington is proposing to implement a single preferred drug list (PDL) to be used by its contracted Medicaid managed care organizations (MCOs) and fee-for-service (FFS) program.

We are pleased to inform you that the amendment is approved, effective January 1, 2018. A copy of the CMS-179 form, as well as the pages approved for incorporation into the Washington state plan, will be forwarded by the Seattle Regional Office.

If you have any questions regarding this amendment, please contact Terry Simananda at (410) 786-8144.

Sincerely,

/s/

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

cc: David Meacham, ARA, Seattle Regional Office
Maria Garza, Seattle Regional Office
Ann Myers, State of Washington, Health Care Authority

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

1. TRANSMITTAL NUMBER:
17-0043

2. STATE
Washington

FOR: HEALTH CARE FINANCING ADMINISTRATION

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, 2018

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:
Section 1905(a) of the Social Security Act

7. FEDERAL BUDGET IMPACT:
a. FFY 2018 ~~\$ 58,637,353~~ \$11,009,942 (P&I)
b. FFY 2019 ~~\$ 81,998,013~~ \$15,396,217 (P&I)

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Att. 3.1-A page 32
Att. 3.1-B page 32

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable)

Att. 3.1-A page 32
Att. 3.1-B page 32

10. SUBJECT OF AMENDMENT

Single Preferred Drug List

11. GOVERNOR'S REVIEW (Check One):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT

☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☒ OTHER, AS SPECIFIED: Exempt

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:
MARYANNE LINDEBLAD

14. TITLE:
MEDICAID DIRECTOR

15. DATE SUBMITTED:

12-12-17

16. RETURN TO:

Ann Myers
Office of Rules and Publications
Division of Legal Services
Health Care Authority
626 8th Ave SE MS: 42716
Olympia, WA 98504-2716

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:
12/12/17

18. DATE APPROVED:
2/20/18

PLAN APPROVED – ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:
1/1/18

20. SIGNATURE

Digitally signed by David L. Meacham - 5

21. TYPED NAME:
David L. Meacham

22. TITLE:
Associate Regional Administrator

23. REMARKS:

12/13/17: State authorized P&I change to box 7

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State WASHINGTONAMOUNT, DURATION, AND SCOPE OF MEDICAL AND REMEDIAL
CARE AND SERVICES PROVIDED TO THE CATEGORICALLY NEEDY

12. a. Prescribed drugs (continued)

Preferred Drug List

- a. 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 programs for covered outpatient drugs provide for a response within 24 hours of a request for prior authorization, and provides for the dispensing of at least a 72-hour supply of medications in emergency situations, in accordance with provisions of section 1927(d)(5) of the Social Security Act. The prior authorization process is described in chapter 182-530 WAC.
- b. The preferred drug list will be used by all contracted Medicaid managed care organizations and the Medicaid fee-for-service program.
- c. Prior authorization will be established for certain drug classes or particular drugs in accordance with Federal law. All drugs covered by the program, irrespective of a prior authorization requirement, will comply with the provisions of the national drug rebate agreement.
- d. A preferred drug list does not prevent Medicaid beneficiaries from obtaining access to medically necessary drugs of manufacturers that participate in the national drug rebate program.
- e. The State will utilize the Drug Utilization Review board to assure, that in addition to pricing consideration, preferred drugs are clinically appropriate.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State WASHINGTONAMOUNT, DURATION, AND SCOPE OF MEDICAL AND REMEDIAL
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