Table of Contents

State/Territory Name: Washington

State Plan Amendment (SPA) #: 19-0014

This file contains the following documents in the order listed:

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

March 6, 2020

Ms. MaryAnne Lindeblad
Medicaid Director
Health Care Authority
626 8th Ave SE Stop 42716
Olympia, WA 98504-2716

Dear Ms. Lindeblad:

The CMS Division of Pharmacy team has reviewed Washington State Plan Amendment (SPA) 19-0014 received in the Division of Program Operations West Branch on December 20, 2019. This SPA proposes to allow the state to comply with the Medicaid Drug Utilization Review (DUR) provisions included in Section 1004 of the Substance Use-Disorder Prevention that promotes Opioid Recovery and Treatment (SUPPORT) for Patients and Communities Act (P.L. 115-271).

Based on the information provided and consistent with the regulations at 42 CFR 430.20, we are pleased to inform you that SPA 19-0014 is approved with an effective date of October 1, 2019. A copy of the updated, signed CMS-179 form, as well as the pages approved for incorporation into Washington's state plan will be forwarded by the Division of Program Operations West Branch.

If you have any questions regarding this request, please contact Justin Aplin at (410) 786-6901 or Justin.Aplin@cms.hhs.gov.

Sincerely,

/s/

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

cc:	James G. Scott, Director	Division of Program Operations
	Maria Garza	Division of Program Operations West Branch
	Ann Myers	Health Care Authority
	Charles Agate	Health Care Authority
	Donna Sullivan	Health Care Authority

DEPARTMENT OF HEALTH AND HUMAN SERVICES
HEALTH CARE FINANCING ADMINISTRATION

FORM APPROVED
OMB NO. 0938-0193

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER: **19-0014**

2. STATE: Washington

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
October 1, 2019

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:
1902(a) & 1927(g) of the Social Security Act
1004 of the SUPPORT Act

7. FEDERAL BUDGET IMPACT:
a. FFY 2020 $0
b. FFY 2021 $0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Numbered Pages 74, 74a, 74b, 74c, 74d (new)

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If Applicable)*:

Numbered Pages 74, 74a, 74b, 74c

10. SUBJECT OF AMENDMENT:

Substance Use Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities Act (SUPPORT Act)

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:
[redacted]

13. TYPED NAME:
MaryAnne Lindeblad

14. TITLE:
Director

15. DATE SUBMITTED: 12-20-19

16. RETURN TO:
Ann Myers
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: 12/20/19

18. DATE APPROVED: 3/6/2020

PLAN APPROVED – ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL: 10/1/2019

20. SIGNATURE OF REGIONAL OFFICIAL:
[redacted]

21. TYPED NAME: James G. Scott

22. TITLE: Director, Division of Program Operations

23. REMARKS:
The state is authorizing a Pen & Ink change to Box 6 to read:
"1902(a) & 1927(g) of the Social Security Act
1004 of the SUPPORT Act"

REVISION: HCFA-PM-93-3 (MB)
March 1993

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM

State/Territory: WASHINGTON

Citation		
	4.26	Drug Utilization Review Program
1927g 1902(a)(85) 42 CFR 456.700	A. 1.	The Medicaid agency meets the Drug Utilization Review (DUR) requirements of Section 1927(g) and 1902(a)(83)(oo) of the Act for outpatient drug claims.
1927(g)(1)(A)	2.	The DUR program assures that prescriptions for outpatient drugs are: -Appropriate -Medically necessary -Not likely to result in adverse medical results
1902(a)(83)(oo)(1)(C) 42 USC 1396(oo)(1)(C)	3.	The DUR program has established a process that identifies potential fraud or abuse of controlled substances by enrolled individuals, health care provider, and pharmacies.
42 CFR 456.714		The DUR program does not include fraud or abuse detection and monitoring which is duplicative of the agency's Surveillance and Utilization Review (SUR) program.
1927(g)(1)(a) 42 CFR 456. 705(b) and 456.709(b)	B.	The DUR program is designed to educate physicians and pharmacists to identify and reduce the following: -The frequency of fraud, abuse, gross overuse, excessive utilization, or inappropriate or medically unnecessary care -Prescribing or billing practices that indicate abuse or excessive utilization among physicians, pharmacists, and patients, or -Potential and actual adverse drug reactions, and -Provide education related to: -Therapeutic appropriateness -Overutilization and underutilization -Appropriate use of generic products -Therapeutic duplication -Drug disease contraindications -Drug-drug interactions -Incorrect drug dosage or duration of drug treatment -Drug-allergy interactions -Clinical abuse/misuse
1927(g)(1)(B) 42 CFR 456.703 (d) and (f)	C.	The DUR program assesses data on drug use against predetermined standards based on peer-reviewed medical literature which has been critically reviewed by unbiased independent experts and the following compendia or their successor publications: -American Hospital Formulary Service Drug Information -United State Pharmacopeia-Drug Information -The DRUGDEX Information System

REVISION: HCFA-PM-93-3 (MB)
March 1993

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM

State/Territory: WASHINGTON

Citation	4.26	Drug Utilization Review Program (cont)
1927(g)(1)(D) 42 CFR 456.703(b)	D.	DUR is not required for drugs dispensed to residents of nursing facilities that are in compliance with drug regimen review procedures set forth in 42 CFR 483.60. The State has never–the-less chosen to include nursing home drugs in: / / Prospective DUR /X/ Retrospective DUR
1927(g)(2)(A) 42 CFR 456.705(b)	E.1.	The DUR program includes prospective review of drug therapy at the point of sale or point of distribution before each prescription is filled or delivered to the Medicaid recipient.
1927(g)(2)(A)(i) 42 CFR 456.705(b) (1)-(7)	2.	Prospective DUR includes screening each prescription filled or delivered to an individual receiving benefits for potential drug therapy problems due to: -Overutilization and underutilization -Therapeutic duplication -Drug-disease contraindications -Drug-drug interactions -Drug-interactions with non-prescription or over-the-counter drugs Incorrect drug dosage or duration of drug treatment -Drug allergy interactions -Clinical abuse/misuse
1927(g)(2)(A)(ii) 42 CFR 456.705 (c) and (d)	3.	Prospective DUR includes counseling for Medicaid recipients based on standards established in State law for counseling and maintenance of patient profiles.
1903(a)(83)(oo)(1)(B)	4.	Prospective DUR includes safety edits approved by the State DUR Board for opioid prescriptions that: -Address acute and chronic use, days' supply, early refills, duplicate fills, quantity limits, and -Set the maximum daily morphine equivalent dose of opioids that can be prescribed to a patient.
1902(a)(83)(oo)(1)(B)	5.	Prospective DUR includes safety edits for antipsychotic medications Prescribed to individuals under the age of 18, including foster children.

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March 1993

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MEDICAL ASSISTANCE PROGRAM

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Citation		Drug Utilization Review Program (cont)
1927(g)(2)(B) 42 CFR 456.709(a) 42 USC 1396(oo)(1)(C)	F.1.	The DUR program includes retrospective DUR through its mechanized drug claims processing and information retrieval system or otherwise which undertakes ongoing periodic examination of claims data and other records to identify: -Patterns of fraud and abuse -Gross overuse - Excessive utilization -Inappropriate or medically unnecessary care - Prescribing or billing practices that indicate abuse or excessive utilization among physicians, pharmacists, Medicaid recipients, or associated with specific drugs or groups of drugs.
1902(a)(83)(oo)(1)(A)(i)	2.	The retrospective DUR program includes but is not limited to claims review automated processes that indicate when a patient is prescribed: - Opioids which exceed limitations on an ongoing basis for acute or chronic use, days' supply, early refills, duplicate fills, and quantity limits. -A daily morphine equivalent dose exceeding established limits for the patient's diagnosis or situation on an ongoing basis; and -Concurrent use of opioids and benzodiazepines, or opioids and antipsychotics on an ongoing basis.
1902(a)(83)(oo)(1)(B)		-An antipsychotic medication and the patient is under the age of 18 years of age, including foster children.
1927(g)(2)(C) 42 CFR 456.709(b)	3.	The DUR program assesses data on drug use against explicit predetermined standards including but not limited to monitoring for: -Therapeutic appropriateness -Overutilization and underutilization -Appropriate use of generic products -Therapeutic duplication -Drug-disease contraindications -Drug-drug interactions -Incorrect drug dosage/duration of drug treatment -Clinical abuse/misuse
1927(g)(2)(D) 42 CFR 456.71 1	4.	The DUR program through its State DUR Board, using data provided by the Board, provides for active and ongoing educational outreach programs to educate practitioners on common drug therapy problems to improve prescribing and dispensing practices.

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State/Territory: WASHINGTON

Citation			
	4.26		Drug Utilization Review Program (cont.)
1927(g)(3)(A) 42 CFR 456.716(a)		G.1.	The DUR program has established a State DUR Board either: /X/ Directly, or / / Under contract with a private organization
1927(g)(3)(B) 42 CFR 456.716 (A) and (B)		2.	The DUR Board membership includes health professionals (one-third licensed actively practicing pharmacists and one-third but no more than 51 percent licensed and actively practicing physicians) with knowledge and experience in one or more of the following: -Clinically appropriate prescribing of covered outpatient drugs -Clinically appropriate dispensing and monitoring of covered outpatient drugs -Drug use review, evaluation and intervention -Medical quality assurance
1927(g)(3)(C) 42 CFR 456.716(d)		3.	The activities of the DUR Board include: -Retrospective DUR, -Application of Standards as defined in section 1927(g)(2)(C) -Ongoing interventions for physicians and pharmacists targeted toward therapy problems or individuals identified in the course of retrospective DUR
927(g)(3)(C) 42 CFR 456.711 (a)-(d)		4.	The interventions include in appropriate instances. -Information dissemination -Written, oral and electronic reminders -Face-to-face discussions -Intensified monitoring/review of prescribers/dispensers
1927(g)(3)(D) 42 CFR 456.712 (A) and (B)		H.	The State assures that it will prepare and submit an annual report to the Secretary, which incorporates a report from the State DUR Board, and that the State will adhere to the plans, steps, procedures as described in the report.
1902(a)(83)(oo)(1)(D)			The report will contain all data, reports, and information required by the Secretary for submission.
1902(a)(83)(oo)(1)(A)(ii)		I.	The State requires each managed care entity contracted with the State to provide care for medical assistance clients, to have in place the same DUR safety edits as described in this section, and to provide data from claims review automated processes which allow the state to perform retrospective DUR on a population-wide basis. At the state's discretion, a managed care entity may be required to use an identical claims review automated process independently or in addition to providing data for the state performance of such retrospective DUR.

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March 1993

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM

State/Territory: WASHINGTON

Citation			4.26 Drug Utilization Review Program (cont.)
1927(h)(1) 42 CFR 456.722	/X /	J.1.	The State establishes, as its principal means of processing claims for covered outpatient drugs under this title; a point-of-sale electronic claims management system to perform on-line: -Real time eligibility verification -Claims data capture -Adjudication of claims -Assistance to pharmacists, etc. applying for and receiving payment
1927(g)(2)(A)(i) 42 CFR 456.705(b)		2.	Prospective DUR is performed using an electronic point-of-sale drug claims processing system.
1927(j)(2) 42 CFR 456.703 (c)		K.	Hospitals which dispense covered outpatient drugs are exempted from the drug utilization review requirements of this section when facilities are drug formulary systems and bill the Medicaid program no more than the hospital's purchasing cost for such covered outpatient drugs.