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State/Territory: Louisiana

State Plan Amendment (SPA) #: 23-0025

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form
- 3) Approved SPA Page

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

Medical Benefits Health Programs Group

December 7, 2023

Kimberly Sullivan
Interim Medicaid Executive Director
Louisiana Department of Health
628 North 4th Street
P.O. Box 91030
Baton Rouge, LA 70821-9030

Dear Kimberly Sullivan,

The CMS Division of Pharmacy team has reviewed Louisiana's State Plan Amendment (SPA) 23-0025 received in the CMS Medicaid & CHIP Operations Group on September 13, 2023. This SPA proposes to reimburse clotting factors using the Louisiana clotting factor average acquisition cost (AAC) and a unit based professional dispensing fee reimbursement methodology. The clotting factor professional dispensing fee is \$0.03500 per unit dispensed, up to a maximum amount of \$1,676.22.

Based on the information provided and consistent with the regulations at 42 CFR 430.20, we are pleased to inform you that SPA 23-0025 is approved with an effective date of October 1, 2023. Our review was limited to the materials necessary to evaluate the SPA under applicable federal laws and regulations.

We are attaching a copy of the signed CMS-179 form, as well as the page approved for incorporation into Louisiana's state plan. If you have any questions regarding this amendment, please contact Terry Simananda at (410) 786-8144 or terry.simananda@cms.hhs.gov.

Sincerely,

A solid black rectangular box redacting the signature of Mickey Morgan.

Mickey Morgan
Deputy Director
Division of Pharmacy

cc: Karen Barnes, Louisiana Department of Health and Human Services
Marjorie Jenkins, Louisiana Department of Health and Human Services
Krystal Ceasor, Louisiana Department of Health and Human Services
Najah Freeman, Louisiana Department of Health and Human Services
Ucheoma Nwagbara, Louisiana Department of Health and Human Services
Tobias Griffin, Louisiana Medicaid State Lead, CMS

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES		1. TRANSMITTAL NUMBER 23-0025	2. STATE LA		
		3. PROGRAM IDENTIFICATION: TITLE <u>XIX</u> OF THE SOCIAL SECURITY ACT			
TO: CENTER DIRECTOR CENTERS FOR MEDICAID & CHIP SERVIC DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE October 1, 2023			
5. FEDERAL STATUTE/REGULATION CITATION 42 CFR 447 Subpart I		6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY <u>2024</u> \$ <u>(5,751,950)</u> b. FFY <u>2025</u> \$ <u>(5,780,850)</u>			
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.19-B, Item 12a, Page 4		8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Same (TN 19-0007)			
9. SUBJECT OF AMENDMENT The purpose of this SPA is to amend the provisions governing the Pharmacy Benefits Management program in order to change the reimbursement methodology for clotting factor products to a state generated actual acquisition cost (AAC) ingredient cost and a unit based professional dispensing fee.					
10. GOVERNOR'S REVIEW (Check One) <table style="width:100%; border: none;"> <tr> <td style="width: 50%; border: none;"> <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL </td> <td style="width: 50%; border: none;"> <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: The Governor does not review State Plan material. </td> </tr> </table>				<input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL	<input checked="" type="checkbox"/> OTHER, AS SPECIFIED: The Governor does not review State Plan material.
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11. SIGNATURE OF STATE AGENCY OFFICIAL 		15. RETURN TO Kimberly Sullivan Interim Medicaid Executive Director Louisiana Department of Health 628 North 4th Street P.O. Box 91030 Baton Rouge, LA 70821-9030			
12. T Pam Diez, designee for Stephen R. Russo, JD		15. RETURN TO Kimberly Sullivan Interim Medicaid Executive Director Louisiana Department of Health 628 North 4th Street P.O. Box 91030 Baton Rouge, LA 70821-9030			
13. TITLE Secretary					
14. DATE SUBMITTED September 13, 2023					
FOR CMS USE ONLY					
16. DATE RECEIVED September 13, 2023		17. DATE APPROVED December 7, 2023			
PLAN APPROVED - ONE COPY ATTACHED					
18. EFFECTIVE DATE OF APPROVED MATERIAL October 1, 2023		19. SIGNATURE OF APPROVING OFFICIAL 			
20. TYPED NAME OF APPROVING OFFICIAL Mickey Morgan		21. TITLE OF APPROVING OFFICIAL Deputy Director, Division of Pharmacy			
22. REMARKS					

STATE OF LOUISIANA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1902(a) OF THE ACT THAT ARE INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

3. 340B Physician Administered Drugs

For those Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs) that are reimbursing using the encounter rate, reimbursement for 340B physician administered drugs will be encompassed in the all-inclusive rate. All other 340B physician administered drugs will be reimbursed in accordance with Section 2, Outpatient Hospital Setting.

Clotting Factor

Pharmacy claims for clotting factor, with the exception of Hemlibra, shall be reimbursed using the Louisiana clotting factor average acquisition cost (AAC) and a unit based professional dispensing fee reimbursement methodology. The clotting factor professional dispensing fee is \$0.03500 per unit dispensed, up to a maximum amount of \$1,676.22. Hemlibra shall be reimbursed using the brand/generic reimbursement methodology.

Investigational or Experimental Drugs

Investigational or experimental drugs shall not be reimbursed by Louisiana Medicaid.