

Table of Contents

State/Territory Name: Maryland

State Plan Amendment (SPA)#: MD-25-0009

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

Medical Benefits Health Programs Group

October 23, 2025

Perri Briskin, MBA, MPH
Deputy Secretary, Healthcare Financing and Medicaid Director
Maryland Department of Health
201 West Preston Street, 5th Floor
Baltimore, MD 21201

Dear Perrie Briskin,

The CMS Division of Pharmacy team has reviewed Maryland State Plan Amendment (SPA) 25-0009 received in the CMS Medicaid Services OneMAC application on August 27, 2025. This SPA proposes to allow the state to voluntarily enter into Value-Based/Outcomes-Based Supplemental Rebate Agreements with manufacturers.

Based on the information provided and consistent with the regulations at 42 CFR 430.20, we are pleased to inform you that SPA 25-0009 is approved with an effective date of January 1, 2026. 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 Maryland's state plan. If you have any questions regarding this amendment, please contact Porscha Brink at (202) 260-4025 or Porscha.brink@cms.hhs.gov.

Sincerely,

A black rectangular box redacting the signature of Catherine A. Traugott.

Catherine A. Traugott, R.Ph., J.D.
Acting Director
Division of Pharmacy

cc: Tyler Colomb, Office of Pharmacy Services, Maryland Department of Health
Dixit Shah, RPh, Deputy Director, Office of Pharmacy Services, Maryland Department of Health
Talbatha Myatt, Maryland State Lead, Medicaid and CHIP Operations Group, CMS

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

1. TRANSMITTAL NUMBER

2 5 — 0 0 0 9

2. STATE

MD3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL
SECURITY ACT

XIX



XXI

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

January 1, 2026

5. FEDERAL STATUTE/REGULATION CITATION

42 CFR 447 Subpart I

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2026 \$ 0b. FFY 2027 \$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 3.1A Page 26 (25-0009)

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION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

Attachment 3.1A Page 26

9. SUBJECT OF AMENDMENT

CMS authorizes the State of Maryland to enter into Value-Based/Outcomes-Based Supplemental Rebate Agreements with manufacturers.

10. 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:

11. SIGNATURE OF STATE AGENCY OFFICIAL

12. TYPED NAME

Perrie Briskin, MBA, MPH

13. TITLE

Deputy Secretary, Health Care Financing and Medicaid Director

14. DATE SUBMITTED

August 27, 2025

15. RETURN TO

Perrie Briskin, MBA, MPH

Deputy Secretary, Health Care Financing and Medicaid Director

Maryland Department of Health

201 W. Preston St., 5th Floor

Baltimore, MD 21201

FOR CMS USE ONLY

16. DATE RECEIVED

August 27, 2025

17. DATE APPROVED

October 23, 2025

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL

January 1, 2026

19. [REDACTED] AL

20. TYPED NAME OF APPROVING OFFICIAL

Catherine A. Traugott, R.P.h., JD

21. TITLE OF APPROVING OFFICIAL

Acting Director, Division of Pharmacy

22. REMARKS

C. Rebates

1. The state is in compliance with section 1927 of the Social Security Act. The state will cover drugs of federal rebate participating manufacturers. The state is in compliance with reporting requirements for utilization and restrictions to coverage. Pharmaceutical manufacturers can audit utilization data. The unit rebate amount is confidential and cannot be disclosed for purposes other than rebate invoicing and verification.
2. The state will be negotiating supplemental rebates in addition to the federal rebates provided for in Title XIX. Rebate agreements between the state and a pharmaceutical manufacturer will be separate from the federal rebates.
3. A rebate agreement between the state and a drug manufacturer for drugs provided to Medicaid recipients, submitted to CMS on July 21, 2003 and entitled "State of Maryland Department of Health and Mental Hygiene Supplemental Rebate Agreement" has been authorized by CMS.
4. Supplemental rebates received by the State in excess of those required under the national drug rebate agreement will be shared with the Federal government on the same percentage basis as applied under the national rebate agreement.
5. All drugs covered by the program, irrespective of a prior authorization requirement, will comply with provisions of the national drug rebate agreement.
6. The State is establishing a preferred drug list with prior authorization for drugs not included on the preferred drug list pursuant to 42 U.S.C. section 1396r-8. Prior authorization will be provided with a 24-hour turn-around from receipt of request and a 72-hour supply of drugs in emergency situations.
7. Prior authorization will be established for certain drug classes, particular drugs or medically accepted indication for uses and doses in compliance with federal law.
8. The State will appoint a Pharmaceutical and Therapeutic Committee or utilize the drug utilization review committee in accordance with federal law.
9. CMS has authorized the State of Maryland to enter into The Optimal PDL Solution (TOPS\$®).• This Supplemental Drug Rebate Agreement was submitted to CMS on October 30, 2013 and has been authorized by CMS.
10. CMS has authorized the State of Maryland to enter into Value-Based/ Outcomes-Based Supplemental Rebate Agreements, effective January 1, 2026.