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State/Territory Name: Missouri

State Plan Amendment (SPA) #: MO-18-0020

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages - (Page 3 Updated on 2/16/2021)



Center for Medicaid and CHIP Services

Disabled and Elderly Health Programs Group

January 19, 2021

Ms. Jennifer Tidball
Acting Director
MO HealthNet Division
P.O. Box 6500
Jefferson City, Missouri 65102-6500

Dear Ms. Tidball:

We have reviewed Missouri's State Plan Amendment (SPA) 18-0020, Prescribed Drugs, received in the CMS Medicaid & CHIP Operations Group on December 20, 2018. This SPA proposes to bring Missouri into compliance with items contained in the reimbursement requirements for the Covered Outpatient Drug final rule with comment period (CMS-2345-FC).

Missouri SPA 18-0020 includes reimbursement methods that use, among others, the National Average Drug Acquisition Cost (NADAC) for covered outpatient drugs. In addition, this SPA also includes reimbursement rates for long-term care, specialty drugs, drugs purchased at a nominal price, and physician administered drugs.

During the review process for SPA 18-0020, it was determined that Missouri required additional time to adequately address its professional dispensing fee for covered outpatient drugs, along with a reimbursement methodology for drugs purchased through the 340B program. Therefore, in consultation with CMS, it was agreed that the state would remove references to a professional dispensing fee and reimbursement for drugs purchased through the 340B program from SPA 18-0020 and submit subsequent SPAs to become fully compliant with the requirements of the Covered Outpatient Drug final rule with comment period.

In keeping with the requirements of section 1902 (a)(30)(A) of the Social Security Act, we believe the state has demonstrated that their reimbursement rates are consistent with efficiency, economy, and quality of care, and are sufficient to ensure that care and services are available to Medicaid beneficiaries at least to the extent they are available to the general population in the geographic area. We believe that there is evidence regarding the sufficiency of Missouri's pharmacy provider network at this time to approve SPA 18-0020. The state provided data to demonstrate that the acquisition cost methodologies being paid are sufficient to ensure the program's beneficiaries will have access to pharmacy services at least to the extent that they are available to the general population.

Based on the information provided and consistent with the regulations at 42 CFR 430.20, we are pleased to inform you that SPA 18-0020 is approved with an effective date of December 16, 2018. We are attaching a copy of the signed, updated CMS-179 form, as well as the pages approved for incorporation into Missouri's state plan.

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

Sincerely,



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

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

cc: Joshua Moore, PharmD, Director of Pharmacy, MO HealthNet Division
Marissa Crump, Executive Assistant, MO HealthNet Division
Deborah Read, CMS, Medicaid & CHIP Operations Group
Blake Holt, CMS, Financial Management Group, Division of Reimbursement Review

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

FOR: HEALTH CARE FINANCING ADMINISTRATION

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

1. TRANSMITTAL NUMBER:

1 8 -- 0 0 2 0

2. STATE

MO

3. PROGRAM IDENTIFICATION: TITLE XIX OF
THE SOCIAL SECURITY ACT (MEDICAID)

4. PROPOSED EFFECTIVE DATE
December 16, 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:

42 CFR 447.502, 42 CFR 447.512, 42 CFR 447.518

7. FEDERAL BUDGET IMPACT:

a. FFY 2019 (\$37,266,865)

b. FFY 2020 (\$49,879,098)

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.19 B, Pages 3 and 3a

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

Attachment 4.19 B, Pages 3 and 3a

10. SUBJECT OF AMENDMENT:

Drug Services

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:

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPE NAME:

Jennifer Tidball

14. TITLE:

Acting Director

15. DATE SUBMITTED:

1-19-2021

16. RETURN TO:

MO HealthNet Division

Post Office Box 6500

Jefferson City, MO 65102-6500

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

December 20, 2018

18. DATE APPROVED:

January 19, 2021

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

December 16, 2018

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:

John M. Coster, PhD, RPh

22. TITLE:

Director, Division of Pharmacy, DEHPG/CMCS/CMS

23. REMARKS:

State Missouri

EMERGENCY AMBULANCE SERVICES

Reimbursement for services is made on a fee-for-service basis. The maximum allowable fee for a unit of service has been determined by MO HealthNet to be a reasonable fee, consistent with efficiency, economy, and quality of care. The state payment for each service will be the lower of:

1. The provider's actual charge for the services, or;
2. The Medicaid maximum allowable amount per unit of service.

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of Ambulance services. The agency's fee schedule rate was set as of July 1, 2019 and is effective for services provided on or after that date. All rates are published at: <https://dss.mo.gov/mhd/providers/pages/cptagree.htm>. To navigate the site, users must agree to the licensure terms and conditions, select "Download" or "Full Search", and select "Ambulance".

HOME HEALTH SERVICES

Reimbursement for services is made on a fee-for-service basis. The maximum allowable fee for a unit of service has been determined by MO HealthNet to be a reasonable fee, consistent with efficiency, economy, and quality of care. The state payment for each service will be the lower of:

1. The provider's actual charge for the services; or
2. The Medicaid maximum allowable amount per unit of service.

Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers of home health program services (intermittent or part-time nursing services, home health aide services, therapy services, and medical supplies). The agency's fee schedule rate was set as of July 1, 2019 and is effective for services provided on or after that date. All rates are published at: <https://dss.mo.gov/mhd/providers/pages/cptagree.htm>. To navigate the site, users must agree to the licensure terms and conditions, select "Download" or "Full Search", and select "Other Services".

DRUG SERVICES

The state agency will utilize the definitions, standards and methods described in 42 CFR 447.502 and 447.512 and 447.518 in establishing payment rates for prescribed drugs.

1. For prescribed drugs, devices and supplies, including specific MO HealthNet covered non-legend and legend products that are prescribed by an authorized prescriber, MO HealthNet will reimburse using the following hierarchy methodology. National Average Drug Acquisition Cost (NADAC); if no NADAC
2. Missouri Maximum Allowable Cost (MAC) (MO HealthNet's MAC includes all types of medications, including specialty and hemophilia products); if no NADAC or MAC

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3. Wholesale Acquisition Cost (WAC) minus 0%, as furnished by the state's contracted agent; OR
4. The usual and customary charge submitted by the provider if it is lower.
5. For Federal Supply Schedule purchased drugs, reimbursement will be at the providers' actual acquisition cost.
6. Drugs acquired at Nominal Price (outside of 340B or Fee-for-Service) will be reimbursed at the providers' actual acquisition cost.
7. Long-term care pharmacy providers supplying covered drugs to participants in long-term care facilities shall be reimbursed as outlined in items 1-6 above in this section.
8. Drugs not distributed by a retail community pharmacy and distributed primarily through a Specialty Pharmacy or the mail (such as specialty drugs) will be reimbursed as outlined in items 1-6 above in this section. MO HealthNet's MAC is market based and includes all types of drugs.
9. Clotting factors from Specialty Pharmacy, Hemophilia Treatment Centers (HTC), will be reimbursed as outlined in items 1-6 above in this section. MO HealthNet's MAC is market based and includes all types of drugs.
10. Physician Administered Drugs (PAD) will be reimbursed as outlined in items 1-6 above in this section. MO HealthNet's MAC is market based and includes all types of drugs.
11. Investigational drugs are not paid for by MO HealthNet.

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