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State/Territory Name: Mississippi

State Plan Amendment (SPA) #: 24-0012

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 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

Medicaid Benefits and Health Programs Group

November 19, 2024

Cindy H. Bradshaw
Mississippi Division of Medicaid
550 High Street, Suite 1000
Jackson, MS 39201-1399

re: Mississippi State Plan Amendment (SPA) 24-0012

Dear Director Bradshaw:

The CMS Division of Pharmacy team has reviewed Mississippi's SPA 24-0012, received in the CMS Medicaid Services OneMAC application on August 26, 2024. This amendment proposes to allow Mississippi to enter into value-based contracts with manufacturers on a voluntary basis.

Based on the information provided and consistent with the regulations at 42 CFR 447.20, we are pleased to inform you MS-24-0012 is approved with an effective date of July 1, 2024. We are attaching a copy of the updated, signed CMS-179 form, as well as the page approved for incorporation into Mississippi's state plan.


If you have any questions regarding this state plan amendment, please contact Desiree Elekwa Izuakor at 667-290-9590 or desiree.elekwaizuakor@cms.hhs.gov.

Sincerely,

A black rectangular box redacting the signature of Mickey Morgan.

Mickey Morgan
Deputy Director, Division of Pharmacy

cc: Robin Bradshaw, Mississippi Department of Health
Melissa Miller, Mississippi Department of Health
Sarah Tadlock, Mississippi Department of Health
Tandra Hodges CMS, Mississippi State Lead

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES		1. TRANSMITTAL NUMBER <u>2</u> <u>4</u> — <u>0</u> <u>0</u> <u>1</u> <u>2</u>	2. STATE <u>MS</u>
		3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT <input checked="" type="radio"/> XIX <input type="radio"/> XXI	
TO: CENTER DIRECTOR CENTERS FOR MEDICAID & CHIP SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE <p style="text-align: center;">July 1, 2024</p>	
5. FEDERAL STATUTE/REGULATION CITATION 42 CFR §§ 447.502, 447.518		6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a FFY <u>23</u> \$ <u>0</u> b FFY <u>24</u> \$ <u>0</u>	
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 3.1-A, Exhibit 12a, Page 3		8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Attachment 3.1-A, Exhibit 12a, Page 3 MS SPA 17-0013	
9. SUBJECT OF AMENDMENT State Plan Amendment (SPA) 24-0012 is being submitted to allow the Division of Medicaid (DOM) to enter into value-based contracts with manufacturers on a voluntary basis, effective July 1, 2024.			
10. GOVERNOR'S REVIEW (Check One) <input checked="" type="radio"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="radio"/> OTHER, AS SPECIFIED: <input type="radio"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="radio"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. TYPED NAME Drew L. Snyder		15. RETURN TO Drew L. Snyder Miss. Division of Medicaid Attn: Robin Bradshaw 550 High Street, Suite 1000 Jackson, MS 39201-1399	
13. TITLE Executive Director			
14. DATE SUBMITTED <p style="text-align: center;">AUG 26 2024</p>			
FOR CMS USE ONLY			
16. DATE RECEIVED August 26, 2024		17. DATE APPROVED November 19, 2024	
PLAN APPROVED - ONE COPY ATTACHED			
18. EFFECTIVE DATE OF APPROVED MATERIAL July 01, 2024		19. 	
20. TYPED NAME OF APPROVING OFFICIAL Mickey Morgan		21. Deputy Director, Division of Pharmacy	
22. REMARKS			

State of Mississippi

DESCRIPTIONS OF LIMITATIONS AS TO AMOUNT, DURATION AND SCOPE OF MEDICAL CARE AND SERVICE PROVIDED

Supplemental Drug Rebate Agreements:

The Division of Medicaid, or the Division of Medicaid in consultation with the Sovereign States Drug Consortium, may negotiate supplemental drug rebate agreements (SDRAs) that would reclassify any drug not designated as preferred in the baseline listing for as long as the agreement is in effect. A SDRA between the Division of Medicaid and a drug manufacturer for drugs provided to the Medicaid program, submitted to the Centers for Medicare & Medicaid Services (CMS) on December 27, 2005 and entitled, “State of Mississippi Supplemental Rebate Agreement”, was authorized by CMS. CMS authorized the State of Mississippi to enter into the “Sovereign States Drug Consortium (SSDC)” multi-state purchasing pool. The SDRA submitted to CMS on September 7, 2012, entitled, “State of Mississippi Supplemental Rebate Agreement”, was authorized by CMS. CMS authorized the revised multi-state SSDC agreement submitted on March 17, 2014, for the Division of Medicaid population to cover supplemental drug rebates for fee-for-service and coordinated care Medicaid programs, effective July 1, 2014. CMS authorized the revised multi-state SSDC agreement submitted on November 3, 2017 to be effective January 1, 2018, with changes in references to various federal laws, to include the Covered Outpatient Drug Rule and to standardize the terms of the SDRA with that of the other states in the consortium.

An Agreement may not be amended or modified without the authorization of CMS.

Based on the requirements for Section 1927 of the Act, the Division of Medicaid will comply with the following policies for drug rebate agreements:

- The drug file permits coverage of participating manufacturers’ drugs.
- The Division of Medicaid may require prior authorization for covered outpatient drugs. Non- preferred drugs are available with prior authorization.
- The prior authorization process for covered outpatient drugs will conform to the provisions of section 1927 (d) (5) of the Social Security Act.
- The Division of Medicaid will comply with the drug reporting requirements for state utilization information and restriction to coverage.
- Supplemental rebate agreement between the Division of Medicaid and a pharmaceutical manufacturer will be separate from federal rebates and are in excess of those required under the national drug rebate agreement.
- The state agrees to report all rebates from manufacturers to the Secretary for Health and Human Services. The state will remit the federal portion of any state supplemental rebates collected.
- The Division of Medicaid will allow all participating manufacturers to audit utilization data.
- The unit rebate amount will be held confidential and will not be disclosed for purposes other than rebate invoicing and verification.
- The State may enter into value/outcomes-based agreements/contracts with manufacturers on a voluntary basis. These contracts will be executed on the model agreement entitled “Value-Based Supplemental Rebate Agreement” submitted to CMS on August 26, 2024 and authorized for use beginning July 1, 2024.