State/Territory Name: North Dakota

State Plan Amendment (SPA)#: 22-0006

This file contains the following documents in the order listed

1) Approval Letter
2) CMS 179 Form
3) Approved SPA Pages
Center for Medicaid and CHIP Services
Disabled and Elderly Health Programs Group

June 15, 2022

Caprice Knapp, Director
Medical Services Division
ND Department of Human Services
600 East Boulevard Avenue Dept 325
Bismarck, ND 58505-0250

Dear Caprice Knapp:

The CMS Division of Pharmacy team has reviewed North Dakota’s State Plan Amendment (SPA) 22-0006 received in the CMS Division of Program Operations on March 30, 2022. This SPA proposes to amend the State Plan to include the Medicare Fee Schedule in the overall lesser of logic calculation for physician administered drugs.

Based on the information provided and consistent with the regulations at 42 CFR 430.20, we are pleased to inform you that ND-22-0006 is approved with an effective date of April 1, 2022. We are attaching a copy of the signed CMS-179 form, as well as the pages approved for incorporation into North Dakota’s state plan.

If you have any questions regarding this request, please contact Whitney Swears at 410-786-6543 or Whitney.Swears@cms.hhs.gov.

Sincerely,

John M. Coster, Ph.D., R.Ph.
Director
Division of Pharmacy
DEHPG/CMCS/CMS

cc: Brendan Joyce, PharmD, Administrator, Pharmacy Services, LeeAnn Thiel, Administrator Medicaid Payment & Reimbursement Services, Curtis Volesky, CMS Medicaid & CHIP Operations Group
## TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES

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

1. TRANSMITTAL NUMBER 2. STATE 3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT
22-0006 ND XIX

4. PROPOSED EFFECTIVE DATE
April 1, 2022

5. FEDERAL STATUTE/REGULATION CITATION
1927 of the Act

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY 2022 $ (133,975)
b. FFY 2023 $ (257,750)

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
Attachment 4.19-B, page 6a

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)
Attachment 4.19-B, page 6a (TN 18-0018)

9. SUBJECT OF AMENDMENT
Amends the State Plan to include the Medicare Average Sales Price in the overall lesser of logic calculation for prescribed drugs.

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
Caprice Knapp

13. TITLE
Medical Services Director

14. DATE SUBMITTED
March 30, 2022

15. RETURN TO
Caprice Knapp, Director
Medical Services Division
ND Department of Human Services
600 East Boulevard Avenue Dept 325
Bismarck ND 58505-0250

16. DATE RECEIVED
03/30/2022

17. DATE APPROVED
06/15/2022

18. EFFECTIVE DATE OF APPROVED MATERIAL
04/01/2022

19. SIGNATURE OF APPROVING OFFICIAL

John M. Coster, Ph.D., R.Ph.

20. TYPED NAME OF APPROVING OFFICIAL
Director, Division of Pharmacy

21. TITLE OF APPROVING OFFICIAL

22. REMARKS

Instructions on Back
10. Drugs acquired at Nominal Price (outside of 340B or FSS) will be reimbursed at no more than the actual acquisition plus the professional dispensing fee while also using the logic as outlined in items 1-9 above and 11-13 below in this section.

11. For Physician Administered Drugs, reimbursement will be the lesser of the Medicare Fee Schedule and all of the logic as outlined in items 1-10 above in this section (with the exception of the professional dispensing fee being included in the calculations). No professional dispensing fee will be paid for Physician Administered Drugs.

12. In accordance with 12a.2. of Attachment to Page 5 of Attachment 3.1-A and 12a.2. of Attachment to Page 4 of Attachment 3.1-B investigational drugs will not be allowed for payment.

13. A fee of fifteen cents per pill will be added to the dispensing fee for the service of pill splitting. Pill splitting is entirely voluntary for the patient and the pharmacist. Pill splitting will only be permitted under the following circumstances: when Medical Services determines it is cost effective, the pill is scored for ease of splitting, and the pharmacy staff splits the pill. This fee will only be allowed for medications that have been evaluated by the state for cost-effectiveness and entered into the Point-of-Sale system.