

## **Table of Contents**

**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

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**  
**Disabled and Elderly Health Programs Group**

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June 15, 2022

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

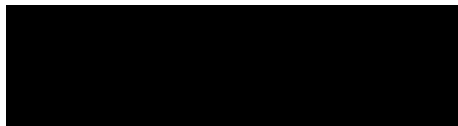
Dear Caprice Knapp:

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](mailto: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**

1. TRANSMITTAL NUMBER

2 2 — 0 0 0 6

2. STATE

ND

3. 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

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

**FOR CMS USE ONLY**

16. DATE RECEIVED  
03/30/2022

17. DATE APPROVED  
6/15/2022

**PLAN APPROVED - ONE COPY ATTACHED**

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

19. SIGN  FICIAL

20. TYPED NAME OF APPROVING OFFICIAL  
John M. Coster, Ph.D., R.Ph.

21. TITLE OF APPROVING OFFICIAL  
Director, Division of Pharmacy

22. REMARKS

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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.