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State Territory Name: OHIO

State Plan Amendment (SPA) #: 24-0003

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

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
230 South Dearborn
Chicago, Illinois 60604



Financial Management Group

May 24, 2024

Maureen Corcoran, Director
Ohio Department of Medicaid
50 West Town Street, Suite 400
Columbus, Ohio 43215

RE: TN 24-0003

Dear Director Corcoran:

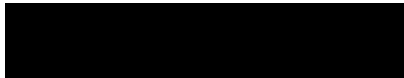
The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed Ohio state plan amendment (SPA) to Attachment 4.19-B 24-0003, which was submitted to CMS on March 8, 2024. This plan amendment simplifies payment methodology for Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) dispensed by a pharmacy.

We reviewed your SPA submission for compliance with statutory requirements including in sections 1902(a)(2), 1902(a)(13), 1902(a)(30), and 1903 as it relates to the identification of an adequate source for the non-federal share of expenditures under the plan, as required by 1902(a)(2), of the Social Security Act and the applicable implementing Federal regulations.

Based upon the information provided by the state, we have approved the amendment with an effective date of February 16, 2024. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact Debi Benson at 312-886-0360 or via email at Deborah.Benson@cms.hhs.gov.

Sincerely,



Todd McMillion
Director
Division of Reimbursement Review

Enclosures

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

1. TRANSMITTAL NUMBER

2 4 — 0 0 3

2. STATE

OH

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

February 16, 2024

5. FEDERAL STATUTE/REGULATION CITATION

§1905(a)(7) of the Soc. Sec. Act; 42 CFR Part 447; 42 CFR 440.70

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2024 \$ 0
b. FFY 2025 \$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-B, Item 7-c, page 1 of 2

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

Attachment 4.19-B, Item 7-c, page 1 of 2 (TN 23-042)

9. SUBJECT OF AMENDMENT

Simplification of payment methodology for DMEPOS items dispensed by a pharmacy

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:
The State Medicaid Director is the Governor's designee

11. SIGNATURE OF STATE AGENCY OFFICIAL

12. TYPED NAME

MAUREEN M. CORCORAN

13. TITLE

STATE MEDICAID DIRECTOR

14. DATE SUBMITTED

March 8 2024

15. RETURN TO

Greg Niehoff
Ohio Department of Medicaid
P.O. BOX 182709
Columbus, Ohio 43218

FOR CMS USE ONLY

16. DATE RECEIVED

March 8, 2024

17. DATE APPROVED

May 24, 2024

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL

February 16, 2024

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL

Todd McMillion

21. TITLE OF APPROVING OFFICIAL

Director, Division of Reimbursement Review

22. REMARKS

7. Home health services, continued.

c. Medical supplies, equipment, and appliances suitable for use in the home.

Payment for medical supplies, equipment, and appliances is the lesser of the submitted charge or an amount based on the Medicaid maximum for the item or service.

The State's Durable Medical Equipment, Prostheses, Orthoses, and Supplies (DMEPOS) payment schedule was set as of January 1, 2024.

For a newly-covered procedure, service, or supply represented by a new HCPCS procedure code, the initial maximum payment amount is set at 80% of the Medicare allowed amount. If no Medicare allowed amount is available, the initial Medicaid maximum payment amount is set at the unweighted average of the current maximum payment amounts for comparable procedures, services, or supplies. Each new DMEPOS code will be located on the State's CPT and HCPCS Level II Procedure Code Changes payment schedule until it is moved to the DMEPOS payment schedule.

Eligible pharmacy providers may dispense and receive payment for certain medical supply items without enrolling in Medicaid as DMEPOS providers. For these items dispensed beginning 02/16/2024, payment is the sum of two figures:

- (1) The lesser of submitted cost or the National Average Drug Acquisition Cost (NADAC) and
- (2) The appropriate professional dispensing fee (PDF) specified in Attachment 4.19-B, Item 12-a, for compounded drugs other than non-sterile compounds and total parenteral nutrition compounds.

If no NADAC has been published for an item, payment is the sum of two figures:

- (1) The least of the submitted cost, the Ohio Average Acquisition Cost (OAAC), or the wholesale acquisition cost (WAC) and
- (2) The appropriate professional dispensing fee (PDF) specified in Attachment 4.19-B, Item 12-a, for compounded drugs other than non-sterile compounds and total parenteral nutrition compounds.

For purposes of determining the PDF, newly enrolled pharmacies located within Ohio are deemed to have filled fewer than 50,000 prescriptions per year, and newly enrolled pharmacies located outside Ohio are deemed to have filled 100,000 or more prescriptions per year.