

## **Table of Contents**

**State/Territory Name: Ohio**

**State Plan Amendment (SPA) #: 25-0024**

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  
7500 Security Boulevard, Mail Stop S3-14-28  
Baltimore, Maryland 21244-1850



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**Financial Management Group**

March 26, 2026

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

RE: TN 25-0024

Dear Mr. Niehoff

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed Ohio state plan amendment (SPA) to Attachment 4.19-A and 4.19-B OH 25-0024, which was submitted to CMS on November 24, 2025. This plan amendment updates reimbursement for injectable drugs and biologicals that are carved out of bundled inpatient and outpatient hospital payments.

We reviewed your SPA submission for compliance with statutory requirements, including in sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 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 January 1, 2026. 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 Sudev Varma at via email at [sudev.varma@cms.hhs.gov](mailto:sudev.varma@cms.hhs.gov) or Robert Bromwell at [robert.bromwell@cms.hhs.gov](mailto:robert.bromwell@cms.hhs.gov)

Sincerely,



Rory Howe  
Director  
Financial Management Group

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

1. TRANSMITTAL NUMBER <u>2 5</u> — <u>0 0 2 4</u>	2. STATE <u>OH</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  
**January 1, 2026**

5. FEDERAL STATUTE/REGULATION CITATION  
**42 USC 1396r-8, 42 CFR Part 447**

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)  
a. FFY 2026 \$ 0  
b. FFY 2027 \$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT  
**Attachment 4.19-A, Page 1-21.1 (new)**  
**Attachment 4.19-B, Item 2-a, Page 1-7**  
**Attachment 4.19-B, Item 12-a, Page 2**

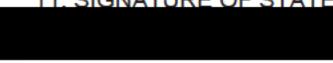
8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)  
**Attachment 4.19-B, Item 2-a, Page 1-7 (TN 23-038)**  
**Attachment 4.19-B, Item 12-a, Page 2 (TN 17-023)**

9. SUBJECT OF AMENDMENT

**Payment for Services: Prescribed Drugs Carved Out of Bundled Inpatient/Outpatient Hospital Reimbursement**

10. GOVERNOR'S REVIEW (Check One)

<input type="radio"/> GOVERNOR'S OFFICE REPORTED NO COMMENT	<input checked="" type="radio"/> OTHER, AS SPECIFIED: <b>The State Medicaid Director is the Governor's designee</b>
<input type="radio"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED	
<input type="radio"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL	

11. SIGNATURE OF STATE AGENCY OFFICIAL  


12. TYPED NAME  
**SCOTT PARTIKA**

13. TITLE  
**STATE MEDICAID DIRECTOR**

14. DATE SUBMITTED  
November 24, 2025

15. RETURN TO  
**Greg Niehoff**  
**Ohio Department of Medicaid**  
**P.O. BOX 182709**  
**Columbus, Ohio 43218**

**FOR CMS USE ONLY**

16. DATE RECEIVED  
November 24, 2025

17. DATE APPROVED  
March 26, 2026

**PLAN APPROVED - ONE COPY ATTACHED**

18. EFFECTIVE DATE OF APPROVED MATERIAL  
January 1, 2026

19. SIGNATURE OF APPROVING OFFICIAL  


20. TYPED NAME OF APPROVING OFFICIAL  
Rory Howe

21. TITLE OF APPROVING OFFICIAL  
Director of the Financial Management Group

22. REMARKS

Except as otherwise noted in the State Plan, state-developed fee schedule rates are the same for both governmental and private providers. The agency's fee schedule rates for select carved-out injectable drugs and biological products are based on actual acquisition cost plus 0.5 percent and are effective for services provided on or after January 1, 2026. These drugs are identified on the State's website at <https://medicaid.ohio.gov/stakeholders-and-partners/phm/carved-out-drugs>. All rates are published on the agency's website and are consistent with the provisions set forth in Attachment 4.19-B, Item 12.a.

TN: 25-0024  
Supersedes:  
TN: New

Approval Date March 26, 2026  
Effective Date: 01/01/2026

Except as otherwise noted in the State Plan, state-developed fee schedule rates are the same for both governmental and private providers. The agency's fee schedule rates for select carved-out injectable drugs and biological products are based on actual acquisition cost plus 0.5 percent and are effective for services provided on or after January 1, 2026. These drugs are identified on the State's website at <https://medicaid.ohio.gov/stakeholders-and-partners/phm/carved-out-drugs>. All rates are published on the agency's website and are consistent with the provisions set forth in Attachment 4.19-B, Item 12.a.

TN: 25-0024

Supersedes:

TN: 23-038

Approval Date: March 26, 2026

Effective Date: 01/01/2026

12. Prescribed drugs, dentures, and prosthetic devices; and eyeglasses prescribed by a physician skilled in diseases of the eye or by an optometrist.
  - a. Prescribed drugs (continued)
    2. Drugs purchased by 340B covered entities through the federal 340B drug price program will be paid at ingredient cost based on 340B AAC, plus professional dispensing fee.
    3. Drugs purchased by 340B covered entities outside of the federal 340B drug price program will be paid at the same AAC methodology used for providers that are not 340B covered entities described in Section A.1.a. through A.1.b. of Item 12-a, page 1, plus the professional dispensing fee assigned as described in Section A.1.c. of Item 12-a, page 1.
    4. Drugs acquired through the federal 340B drug price program and dispensed by 340B contract pharmacies are not covered.
    5. Drugs acquired through the Federal Supply Schedule (FSS) will be paid at the FSS actual acquisition cost, plus the professional dispensing fee.
    6. Drugs acquired at nominal price, (outside of 340B or FSS) will be paid at the actual acquisition cost, plus the professional dispensing fee.
    7. Effective January 1, 2026, drugs listed on the “Carved Out Injectable Drugs and Biologicals” List (available on the Ohio Department of Medicaid Pharmacy Program website at: <https://medicaid.ohio.gov/stakeholders-and-partners/phm/carved-out-drugs>) that are separately reimbursed and not part of a bundled inpatient or outpatient hospital reimbursement methodology will be paid at the actual acquisition cost, plus one-half of one percent. For purposes of this provision, actual acquisition cost is defined as the invoice price charged to the provider.
  - B. Payment for the following prescribed drugs are not required to be paid based on AAC.
    1. Federally Qualified Health Centers will be paid for drugs dispensed to patients for use in their personal residence according to the AAC methodology described in Section A. of Item 12-a, pages 1-2, plus the professional dispensing fee.
    2. Specialty drugs not dispensed by a retail community pharmacy including drugs dispensed primarily through the mail (but not in institutions or long term care) will be paid at the same AAC calculated allowable methodology described in Section A.1 of Item 12-a, page 1, plus the professional dispensing fee.
    3. Clotting factor and other blood products used to treat hemophilia and other blood disorders will be paid at the lesser of:
      - The payment limit shown in the current Medicare part B drug pricing file, minus the furnishing fee assigned by Medicare part B, plus the professional dispensing fee assigned to the provider in Section A.1.c. of Item 12-a, page 1, or
      - The provider’s usual and customary charge.