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State/Territory Name: Oregon

State Plan Amendment (SPA)#: 23-0024

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
Medicaid Benefits and Health Programs Group

September 12, 2023

Dana Hittle, Medicaid Director
Oregon Health Authority
500 Summer Street Northeast, E-15
Salem, OR 97301-1079

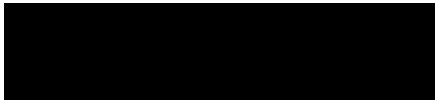
Dear Dana Hittle,

The CMS Division of Pharmacy team has reviewed Oregon's State Plan Amendment (SPA) 23-0024 received in the CMS Medicaid & CHIP Operations Group on August 2, 2023. This SPA has been submitted to allow the state to enter outcome-based agreements with manufactures on a voluntary basis.

Based on the information provided and consistent with the regulations at 42 CFR 430.20, we are pleased to inform you that OR-23-0024 is approved with an effective date of July 1, 2023. We are attaching a copy of the signed CMS-179 form, as well as the pages approved for incorporation into Oregon's state plan.

If you have any questions regarding this request, please contact Michael Forman at 410-786-2666 or michael.forman@cms.hhs.gov.

Sincerely,



Cynthia R. Denemark, R.Ph.
Director
Division of Pharmacy

Cc: Jesse Anderson, Oregon Health Authority
Brandon Wells, Oregon Health Authority
Deborah Weston, Oregon Health Authority
Nikki Lemmon, CMS Division of Program Operations

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

1. TRANSMITTAL NUMBER <u>2 3 — 0 0 2 4</u>	2. STATE <u>OR</u>
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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
7/1/23

5. FEDERAL STATUTE/REGULATION CITATION
1902(a)(30)(A), 1927 of the ACT and 42 CFR 440.120

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 3.1-A, Page 5-b, 5-c

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

Attachment 3.1-A, Page 5-b

9. SUBJECT OF AMENDMENT
This transmittal is being submitted to allow the state to enter value-based contracts with manufactures on a voluntary basis.


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
Dana Hittle

13. TITLE
Medicaid Director

14. DATE SUBMITTED
8/2/23

15. RETURN TO
Oregon Health Authority
Medical Assistance Programs
500 Summer Street NE E-65
Salem, OR 97301

ATTN: Jesse Anderson, State Plan Manager

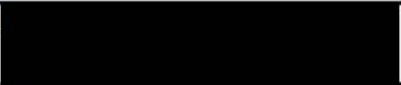
FOR CMS USE ONLY

16. DATE RECEIVED
August 2, 2023

17. DATE APPROVED
September 12, 2023

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
July 1, 2023

19. SIGNATURE OF APPROVING OFFICIAL


20. TYPED NAME OF APPROVING OFFICIAL
Cynthia R. Denmark

21. TITLE OF APPROVING OFFICIAL
Director, Division of Pharmacy

22. REMARKS

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
State/Territory: OREGON

AMOUNT, DURATION, AND SCOPE OF MEDICAL AND REMEDIAL
CARE AND SERVICES PROVIDED TO THE CATEGORICALLY NEEDY

LIMITATIONS ON SERVICES (Cont.)

12.a. Prescribed Drugs

Supplemental Rebate Agreement:

The state will be negotiating supplemental rebates in addition to the federal rebates provided for in Title XIX under the national rebate program. Supplemental rebate agreements between the state and a pharmaceutical manufacturer will be separate from the federal rebates received under the national rebate program.

CMS has authorized Oregon to enter into “The Sovereign States Drug Consortium (SSDC)” Medicaid Multi-State purchasing pool in relation to supplemental rebates.

The Centers for Medicare and Medicaid Services (CMS) has authorized a rebate agreement between the state and a drug manufacturer that provides supplemental rebates for drugs provided to the Oregon Medicaid program as follows:

- A supplemental rebate agreement submitted to CMS on 6/19/2003 and entitled, "State of Oregon, Supplemental Rebate Agreement" has been authorized by CMS.
- A supplemental rebate agreement submitted to CMS on 7/15/09, amended the 6/19/03 version of the “State of Oregon, Supplemental Rebate Agreement” under Transmittal 03-02, has been authorized by CMS.
- A supplemental rebate agreement submitted to CMS on 8/2/10 amended the 7/15/09 version of the “State of Oregon, Supplemental Rebate Agreement” authorized under Transmittal 09-05, has been authorized by CMS.
- CMS has authorized the state of Oregon to enter into outcome-based agreements with pharmaceutical manufacturers, on a voluntary basis, for drugs provided to Medicaid beneficiaries using the outcome-based supplemental rebate agreement beginning July 1, 2023.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State/Territory: OREGON

AMOUNT, DURATION, AND SCOPE OF MEDICAL AND REMEDIAL
CARE AND SERVICES PROVIDED TO THE CATEGORICALLY NEEDY

LIMITATIONS ON SERVICES (Cont.)

12.a. Prescribed Drugs (Cont)

Savings recognized from value-based purchasing and supplemental rebate agreements received by the State in excess of those required under the national drug rebate agreement will be shared with the Federal government on the same percentage basis as applied under the national rebate agreement.

All drugs covered by the program, irrespective of a prior authorization agreement, will comply with the provisions of the national drug rebate agreement.

The state will maintain the flexibility to negotiate supplemental rebate payments by manufacturers for Medicaid Managed Care Organization (MCO) utilization of products on the PDL regardless of whether the products are on the Medicaid MCO formularies (Version 1 of Attachment A, Transmittal 10-13).

TN No. 23-0024

Approval Date: 9/12/23

Effective Date: 7/1/23

Supersedes TN No. NEW