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State/Territory Name: Utah

State Plan Amendment (SPA) #: U T-24-0017

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form
- 3) Approved SPA Page

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

Medical Benefits and Health Programs Group

November 22, 2024

Jennifer Strohecker
Director
Division of Integrated Healthcare
Utah Department of Health & Human Services
P.O. Box 143101
Salt Lake City, Utah 84114-3101

Dear Director Strohecker,

The CMS Division of Pharmacy team has reviewed Utah's State Plan Amendment (SPA) 24-0017 received in the Centers for Medicare and Medicaid Services OneMAC application on September 9, 2024. This SPA proposes to update the state's professional dispensing fees.

In keeping with the requirements of section 1902 (a)(30)(A) of the Social Security Act, we believe the state has demonstrated that their reimbursement is consistent with efficiency, economy, and quality of care, and are sufficient to ensure that care and services are available to Medicaid beneficiaries at least to the extent they are available to the general population in the geographic area. We believe that there is evidence regarding the sufficiency of Utah's pharmacy provider network at this time to approve SPA 24-0017. Specifically, Utah has estimated that 510 of the state's 707 licensed in-state retail pharmacies are enrolled in Utah's Medicaid program. With a 72 percent participation rate, we can infer that Utah's beneficiaries will have access to pharmacy services at least to the extent available to the general population since Medicaid requires that beneficiaries be provided access to all covered outpatient drugs of participating drug manufacturers with a rebate agreement through a broad pharmacy network. In contrast, commercial insurers often have more limited drug formularies and a more limited pharmacy network.

Based on the information provided and consistent with the regulations at 42 CFR 430.20, we are pleased to inform you that SPA 24-0017 is approved with an effective date of July 15, 2024. Our review was limited to the materials necessary to evaluate the SPA under applicable federal laws and regulations.

We are attaching a copy of the signed CMS-179 form, as well as the page approved for incorporation into Utah's state plan. If you have any questions regarding this amendment, please contact Omar Alemi at (720) 853-2724 or omar.alemi@cms.hhs.gov.

Sincerely,



Mickey Morgan, Deputy Director
Division of Pharmacy

cc: Craig Devashrayee, Utah Department of Health & Human Services
Yoon Kim-Butterfield, Utah Department of Health & Human Services
Sepideh Daeery, Utah Department of Health & Human Services
Tyler Deines, Division of Program Operations, CMS

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

1. TRANSMITTAL NUMBER

2 4 — 0 0 1 7

2. STATE

UTAH3. 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

July 15, 2024

5. FEDERAL STATUTE/REGULATION CITATION

42 CFR 440.120

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2024 \$ 973,074b. FFY 2025 \$ 3,892,290

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Page 19a of ATTACHMENT 4.19-B

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

Page 19a of ATTACHMENT 4.19-B

9. SUBJECT OF AMENDMENT

Dispensing Fees

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

Tracy S. Gruber

13. TITLE

Executive Director, Utah Dept of Health & Human Services

14. DATE SUBMITTED

September 9, 2024

15. RETURN TO

Craig Devashrayee

Utah Department of Health & Human Services

Division of Integrated Healthcare

cdevashrayee@utah.gov

FOR CMS USE ONLY

16. DATE RECEIVED

9/9/2024

17. DATE APPROVED

11/22/2024

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL

7/15/2024

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL

Mickey Morgan

21. TITLE OF APPROVING OFFICIAL

Deputy Director, CMS Division of Pharmacy

22. REMARKS

S. PRESCRIBED DRUGS (Continued)

Professional Dispensing Fees

The Utah Medicaid professional dispensing fees are as follows:

1. \$11.57 for prescriptions except hemophilia clotting factor; and
2. \$97.53 for hemophilia clotting factor.

Drugs Dispensed by IHS/Tribal facilities

Covered outpatient drugs dispensed by an IHS/Tribal facility to an IHS/Tribal member are reimbursed at the encounter rate in accordance with the Utah Medicaid Indian Health Services Provider Manual.

Specialty Drugs and Covered Outpatient Drugs Primarily Dispensed through the Mail

Specialty drugs and covered outpatient drugs primarily dispensed through the mail are reimbursed in the same manner as other covered outpatient drugs in accordance with the reimbursement rules of this section.

T.N. # 24-0017

Approval Date 11-22-24

Supersedes T.N. # 22-0010

Effective Date 7-15-24