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State/Territory Name: Utah

State Plan Amendment (SPA)#: UT-24-0021

This file contains the following document 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



Medicaid Benefits and Health Programs Group

November 7, 2024

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

Dear Director Strohecker:

We have reviewed Utah's State Plan Amendment (SPA) 24-0021 received in the Centers for Medicare and Medicaid Services (CMS) OneMAC application on September 20, 2024. This SPA proposes to remove specifics for identifying claims for covered outpatient drugs purchased through the 340B Program, as industry standards may periodically change.

Based on the information provided and consistent with the regulations at 42 CFR 430.20, we are pleased to inform you that UT-24-0021 is approved with an effective date of September 1, 2024.

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 Lisa Shochet at Lisa.Shochet@cms.hhs.gov.

Sincerely,

A solid black rectangular box used to redact the signature of Cynthia R. Denmark.

Cynthia R. Denmark
Director
Division of Pharmacy

cc: Craig Devashrayee, Utah Dept of Hlth & Human Services, Div of Integrated Healthcare
Tyler Deines, Utah State Lead, CMS, Division of Program Operations

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

1. TRANSMITTAL NUMBER

2 4 — 0 0 2 1

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

September 1, 2024

5. FEDERAL STATUTE/REGULATION CITATION

42 CFR 440.120

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

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

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Page 19a(2) of ATTACHMENT 4.19-B8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable)Page 19a(2) of ATTACHMENT 4.19-B

9. SUBJECT OF AMENDMENT

340B Modifiers

10. GOVERNOR'S REVIEW (Check One)



GOVERNOR'S OFFICE REPORTED NO COMMENT



COMMENTS OF GOVERNOR'S OFFICE ENCLOSED



OTHER, AS SPECIFIED:

WITHIN 45 DAYS OF SUBMITTAL

AGENCY OFFICIAL

15. RETURN TO

12. TYPED NAME

Tracy S. Gruber

13. TITLE

Executive Director, Utah Dept of Health & Human Services

14. DATE SUBMITTED

September 20, 2024Craig Devashrayee
Utah Department of Health & Human Services
Division of Integrated Healthcare
cdevashrayee@utah.gov**FOR CMS USE ONLY**

16. DATE RECEIVED

September 20, 2024

17. DATE APPROVED

November 7, 2024**PLAN APPROVED - ONE COPY ATTACHED**

18. EFFECTIVE DATE OF APPROVED MATERIAL

September 1, 2024

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL

Cynthia R. Denemark, R.Ph.

21. TITLE OF APPROVING OFFICIAL

Director, Division of Pharmacy

22. REMARKS

S. PRESCRIBED DRUGS (Continued)

Covered Outpatient Drugs Purchased Through the 340B Program

Covered entities that purchase covered outpatient drugs through the 340B program and used the 340B covered outpatient drugs to bill Utah Medicaid are required to submit the 340B acquisition cost on the claim and identify the medications as being purchased through the 340B program.

Payment for covered outpatient drugs purchased through the 340B program will be the lesser of the 340B acquisition cost plus a professional dispensing fee, as applicable, or the billed charges.

Payment for covered outpatient drugs not purchased through the 340B program are to be submitted, and reimbursed, in accordance with the reimbursement rules under this section.

340B covered entities may not utilize contract pharmacies to bill Utah Medicaid unless the covered entity, contract pharmacy, and State Medicaid agency have a written agreement in place to prevent duplicate discounts.

Federal Supply Schedule

Providers that purchase covered outpatient drugs through the Federal Supply Schedule (FSS) and use the covered outpatient drugs to bill Utah Medicaid are required to submit the FSS acquisition cost on the claim, unless the reimbursement is made through a bundled charge or all-inclusive encounter rate.

Payment for covered outpatient drugs purchased through the FSS will be the lesser of the FSS acquisition cost plus a professional dispensing fee, as applicable, or the billed charges.

Payment for covered outpatient drugs not purchased through the FSS are to be submitted, and reimbursed, in accordance with the reimbursement rules of this section.

Nominal Price

Providers that purchase covered outpatient drugs at Nominal Price and use the covered outpatient drug to bill Utah Medicaid are required to submit the acquisition cost on the claim.

Payment for covered outpatient drugs purchased at Nominal Price will be the lesser of the Nominal Price acquisition cost plus a professional dispensing fee, as applicable, or the billed charges.

T.N. # 24-0021

Approval Date 11-7-2024

Supersedes T.N. # 17-0002

Effective Date 9-1-24