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State/Territory Name: West Virginia

State Plan Amendment (SPA) #: 25-0006

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



Financial Management Group

March 20, 2026

Cynthia Beane
Commissioner,
Bureau for Medical Services
350 Capitol Street Room 251
Charleston West Virginia 25301

RE: TN 25-0006

Dear Commissioner Beane,

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed West Virginia state plan amendment (SPA) to Attachment 4.19-A and 4.19-B WV 25-0006, which was submitted to CMS on December 30, 2025. This plan amendment focuses on the reimbursement of certain drugs outside of the inpatient hospital Diagnosis Related Group (DRG) payment methodology.

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 or Lindsay Michael at lindsay.michael@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
2 5 — 0 0 0 6

2. STATE
WV

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
January 1, 2026

5. FEDERAL STATUTE/REGULATION CITATION
Title 19 of the Social Security Act

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY 2025 \$ 0
b. FFY 2026 \$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-A Page 1 **Attachment 4.19-A Page 23a**
Attachment 4.19-B Page 9b

Attachment 4.19-B Page 1

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

Attachment 4.19-A Page 1
Attachment 4.19-B Page 1
Attachment 4.19-B Page 9b

9. SUBJECT OF AMENDMENT
This SPA relates to the reimbursement of certain drugs outside of the inpatient hospital Diagnosis Related Group (DRG) payment methodology.

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
Cynthia Beane

13. TITLE
Commissioner, WV Bureau for Medical Services

14. DATE SUBMITTED
12/30/2025

15. RETURN TO
**Bureau for Medical Services
350 Capitol Street Room 251
Charleston West Virginia 25301**

FOR CMS USE ONLY

16. DATE RECEIVED
December 30, 2025

17. DATE APPROVED
March 20, 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

Pen and Ink change permission was granted by the state to add Attachment 4.19-B page 1 and Attachment 4.19-A Page 23a

4.19 Payments for Remedial Care and Services

ATTACHMENT 4.19-A Inpatient Hospital Services

Drugs Outside the DRG

Effective January 1, 2026, certain drugs provided in an inpatient hospital setting will be reimbursed separately from the DRG payment. Drugs separately reimbursed and not part of a bundled hospital reimbursement methodology will be paid at the pharmacy reimbursement rate found in Attachment 4.19-B. Drugs reimbursed outside the DRG are reimbursed under the methodology described in Attachment 4.19-B Item 12 for Prescribed Drugs. A list of these drugs is found on the BMS website at [Pharmacy | Bureau for Medical Services](#), specifically located under [Preferred Drug List and Coverage Details | Bureau for Medical Services](#), and will be reimbursed at the Actual Acquisition cost.

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TN No.: 25-0006	Approval Date: March 20, 2026	Effective Date: January 1, 2026
Supersedes: NEW		

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: West Virginia

Attachment 4.19-B

Page 1

2. a. Outpatient Hospital Services

(1) Reimbursement is based on a fee for service and may not exceed the amount established for any qualified provider for the same service. Laboratory and x-ray services may not exceed the amount established by Medicaid for the procedures.

(2) Other services specific to hospitals, i.e., emergency room, outpatient surgery, cast room, may not exceed the established Medicare upper limits based on reasonable costs.

(3) Effective January 1, 2026, certain drugs provided in an outpatient hospital setting will be reimbursed outside of a hospital reimbursement methodology and will be paid at the pharmacy reimbursement methodology and rate as described in Attachment 4.19-B, Item 12 for Prescribed Drugs. A list of these drugs is found on the BMS website at [Pharmacy | Bureau for Medical Services](#), specifically located under [Preferred Drug List and Coverage Details | Bureau for Medical Services](#), and will be reimbursed at the Actual Acquisition cost.

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TN No.: 25-0006	Approval Date: March 20, 2026	Effective Date: January 1, 2026
Supersedes: 17-0003		

PAYMENT FOR MEDICAL AND REMEDIAL CARE AND SERVICES

L. Compounded Prescriptions

Payment for legend ingredients will be based on the lower of the NADAC, or WAC +0% if NADAC is not available, FUL, SMAC, submitted ingredient cost or Usual & Customary charges to the public, including any sale price which may be in effect at the same time plus the dispensing fee. A fee of \$6.00 will be added to the dispensing fee for extra compounding time required by the pharmacist. The \$6.00 compounding fee does not apply to the Usual and Customary reimbursement.

M. Drugs Outside a Hospital Reimbursement Methodology

Effective January 1, 2026, certain drugs provided in a hospital setting will be reimbursed outside of a hospital reimbursement methodology and will be paid at their actual acquisition cost pharmacy reimbursement methodology and rate as described in Attachment 4.19-B, Item 12 for Prescribed Drugs. A list of these drugs is found on the BMS website at: [Pharmacy | Bureau for Medical Services](#). If a drug is dispensed (not administered), a professional dispensing fee of \$10.49 will be included.

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TN No.: 25-0006	Approval Date: March 20, 2026	Effective Date: January 1, 2026
Supersedes: 17-001		