

Table of Contents

State/Territory Name: Vermont

State Plan Amendment (SPA) #: VT-23-0011

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

Disabled and Elderly Health Programs Group

April 19, 2023

Adaline Strumolo
Deputy Commissioner
Department of Vermont Health Access (DVHA)
NOB 1 South, 280 State Drive
Waterbury, VT 05671-1010

Dear Deputy Commissioner Strumolo,

The CMS Division of Pharmacy team has reviewed Vermont's State Plan Amendment (SPA) 23-0011 received in the CMS Medicaid & CHIP Operations Group on March 3, 2023. This SPA proposes to add prior authorization information on preferred and non-preferred drugs, as well as for High-Investment Carve-Out drugs when delivered in the inpatient setting.

Based on the information provided and consistent with the regulations at 42 CFR 430.20, we are pleased to inform you that SPA 23-0011 is approved with an effective date of January 1, 2023. 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, revised CMS-179 form, as well as the page approved for incorporation into Vermont'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,

A large black rectangular redaction box covers the signature area of the letter.

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

cc: Dylan Frazer, Deputy Director of Medicaid Policy
Gilson DaSilva, CMS, Vermont State Lead

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

1. TRANSMITTAL NUMBER <u>2</u> <u>3</u> — <u>0</u> <u>0</u> <u>1</u> <u>1</u>	2. STATE <u>VT</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
1/1/2023

5. FEDERAL STATUTE/REGULATION CITATION
42 CFR §430.12(c)(1)(ii)

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY 2023 \$ 0
b. FFY 2024 \$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
Attachment 3.1-A page 5a

9. SUBJECT OF AMENDMENT

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)
Attachment 3.1-A page 5a

Add ~~Require~~ prior authorization **information on preferred and non-preferred drugs, as well as** for High-Investment Carve-Out drugs **when delivered in the inpatient setting. (P&I change)**

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: Approval from Agency of Admin.
[REDACTED]

11. SIGNATURE OF STATE AGENCY OFFICIAL
[REDACTED]

12. TYPED NAME
Jenney Samuelson

13. TITLE
SECRETARY, AGENCY OF HUMAN SERVICES

14. DATE SUBMITTED
3/3/2023

15. RETURN TO
DYLAN FRAZER
DEPARTMENT OF VERMONT HEALTH ACCESS
280 STATE DRIVE
WATERBURY , VT 05671-1010
DYLAN.FRAZER@VERMONT.GOV

FOR CMS USE ONLY

16. DATE RECEIVED
03/03/2023

17. DATE APPROVED
04/19/2023

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
01/01/2023

[REDACTED]

20. TYPED NAME OF APPROVING OFFICIAL
Cynthia R. Denemark, R.Ph.

21. TITLE OF APPROVING OFFICIAL
Acting Director, Division of Pharmacy

22. REMARKS
P&I change. Box 9 - CMS added preferred and non-preferred drugs and included "when delivered in inpatient setting" caveat to High-Investment Carve-Out drugs. 04/18/2023

ITEM 12. PRESCRIBED DRUGS, DENTURES, AND PROSTHETIC DEVICES; EYEGASSES
PRESCRIBED BY A PHYSICIAN SKILLED IN DISEASES OF THE EYE OR BY AN
OPTOMETRIST

A. Prescribed Drugs

1. Drugs listed by the FDA as less than effective are not covered by Medicaid, nor are the generic equivalents of the listed drugs covered.
2. Physicians and Pharmacists are required to conform to Act 127 (18 VSA Chapter 91), otherwise known as the Vermont Generic Drug Law. In those cases where the Generic Drug Law permits substitution, only the lowest priced equivalent in stock at the pharmacy shall be considered medically necessary. Medicaid will not pay if the recipient refuses the substitution required by law.
3. A pharmacist must fill prescriptions in quantities of between 30 and 90 days' supply for all drugs prescribed for continued regular use. The physician may prescribe for particular patients or conditions in lesser amounts and in these instances the pharmacist is required to fill as directed. Effective July 15, 2009, when the DVHA is the primary payer, pharmacies will be required to dispense designated classes of maintenance drugs in 90-day supplies after the first fill. The first fill allows prescribers to test for therapeutic effectiveness and patient tolerance.
At the discretion of the physician, a pharmacist may dispense prescribed medications necessary for either extended travel or contraception that are intended to last up to a 12-month duration. For extended travel, any fill over 90 days is subject to approval by the DVHA's Medical Director.
4. Coverage for certain other drugs is limited to specific conditions, e.g. amphetamines for the treatment of narcolepsy cataplexy syndrome only.
5. Generic over-the-counter (OTC) drugs are covered when medically necessary; without the option of prior authorization for brand products; prescribed by a qualified Medicaid provider; and a federal rebate agreement with the manufacturer is in force. Some OTC medications already managed on the Preferred Drug list (PDL) may have additional restrictions. The PDL can be found on the DVHA website.
6. Contraceptive drugs are covered and claimed at the increased Federal match under Family Planning.
7. No coverage is provided for items such as:
 - topical antiseptics
 - rubbing alcohol
8. Prior authorization is required for High-Investment Carve-Out Drugs when delivered in an inpatient setting. The High-Investment Carve-Out Drug List is available on the DVHA website.
9. Prior authorization information on preferred and non-preferred drugs can be found on the Preferred Drug List posted on the DVHA website.

TN No. 23-0011
Supersedes
TN No. 16-0019

Effective Date: 1/1/2023
Approval Date: 4/19/2023