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State/Territory Name: Louisiana

State Plan Amendment (SPA) #: 19-0018

This file contains the following documents in the order listed:

1) Approval Letter
2) CMS 179 Form
3) Approved Page
June 26, 2019

Jen Steele, Medicaid Director
State of Louisiana
Department of Health
628 North 4th Street
P.O. Box 91030
Baton Rouge, LA 70821-9030

Dear Ms. Steele:

We have reviewed Louisiana’s State Plan Amendment (SPA) 19-0018 received in the Dallas Regional Operations Group on May 15, 2019. This amendment proposes to update the single, state-specific Supplemental Rebate Agreement with drug manufacturers, entitled “State of Louisiana Supplemental Rebate Agreement”. This Supplemental Rebate Agreement would include both fee-for-service and Medicaid Managed Care Utilization (MCO) utilization for accrual of supplemental rebates.

Based on the information provided and consistent with the regulations at 42 CFR 430.20, we are pleased to inform you that SPA 19-0018 is approved with an effective date of July 1, 2019. A copy of the updated, signed CMS-179 form, as well as the pages approved for incorporation into Louisiana’s state plan will be forwarded by the Dallas Regional Operations Group.

If you have any questions regarding this amendment, please contact Terry Simananda at (410) 786-8144 or terry.simananda@cms.hhs.gov.

Sincerely,

/s/
John M. Coster, Ph.D., R.Ph.
Director
Division of Pharmacy

cc: Bill Brooks, Director, CMS, Dallas Regional Operations Group
Tobias Griffin, CMS, Dallas Regional Operations Group
Rebekah E. Gee MD, MPH, Secretary, State of Louisiana
TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES

TO: REGIONAL ADMINISTRATOR
CENTERS FOR MEDICARE & MEDICAID SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

DEPARTMENT OF HEALTH AND HUMAN SERVICES

1. TRANSMITTAL NUMBER
19-0018
2. STATE
Louisiana
3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)
4. PROPOSED EFFECTIVE DATE
July 1, 2019

5. TYPE OF PLAN MATERIAL (Check One)
□ NEW STATE PLAN □ AMENDMENT TO BE CONSIDERED AS NEW PLAN □ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION
42 CFR 447 Subpart I
Section 1927 of the Social Security Act (P+I)

7. FEDERAL BUDGET IMPACT
a. FFY 2020 $0
b. FFY 2021 $0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
Attachment 3.1-A, Item 12a, Page 4

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)
SAME (TN 19-0006) Also pending TN 19-0017
Attachment 3.1-A, Item 12a, Page 4 (P+I)

10. SUBJECT OF AMENDMENT: The purpose of this SPA is to amend the provisions governing the Pharmacy Benefits Management Program in order to establish a state-specific supplemental rebate agreement (SRA) with drug manufacturer(s).

11. 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
The Governor does not review State Plan material.

12. SIGNATURE OF STATE AGENCY OFFICIAL

13. TYPED NAME
Cindy Rives, designee for Rebekah E. Gee MD, MPH

14. TITLE
Secretary

15. DATE SUBMITTED
May 15, 2019

16. RETURN TO
Jen Steele, Medicaid Director
State of Louisiana
Department of Health
628 North 4th Street
P.O. Box 91030
Baton Rouge, LA 70821-9030

17. DATE RECEIVED
May 15, 2019

18. DATE APPROVED
June 26, 2019

19. EFFECTIVE DATE OF APPROVED MATERIAL
July 1, 2019

20. SIGNATURE OF REGIONAL OFFICIAL

21. TYPED NAME
Bill Brooks

22. TITLE
Regional Operations Group

23. REMARKS
6-20-19 - state authorizes P+I change to box 6 and 9.
d. Manufacturers are allowed to audit utilization data;

e. The unit rebate amount is confidential and cannot be disclosed for purposes other than rebate invoicing and verification; and

f. The Department will utilize the same processes to resolve State Supplemental rebate issues as it uses to resolve federal rebate disputes and as outlined in CMS’ Best Practices Guide for Dispute Resolution Under the Medicaid Drug Rebate Program.

4. The Department is also in compliance with state regulations relative to the confidentiality of supplemental rebate information contained in the records of the Department and its agents.

5. CMS has authorized the template for the State of Louisiana to enter into a single, state-specific Supplemental Rebate Agreement between the State and a drug manufacturer(s) for both fee-for-service and those paid by contracted managed care organizations (MCOs) in the Medicaid program, submitted to CMS on May 15, 2019, entitled “State of Louisiana Supplemental Rebate Agreement” and has been authorized by CMS effective July 1, 2019.

6. CMS has authorized the state of Louisiana to enter into The Optimal PDL Solution (TOP$). This Supplemental Drug Rebate Agreement was submitted to CMS on November 5, 2013, and has been authorized by CMS effective October 1, 2013. The TOP$ supplemental rebate agreements would apply to the drug benefit, both fee-for-service and those paid by contracted managed care organizations (MCOs), under prescribed conditions in Attachment A-2 of the TOP$ Supplemental Rebate Agreement, effective May 1, 2019.

E. Single State-Managed Preferred Drug List

Effective May 1, 2019, the Department shall implement a single state-managed PDL for all participating MCOs and for fee-for-service.

State: Louisiana
Date Received: 15 May, 2019
Date Approved: 26 June, 2019
Date Effective: 1 July, 2019
Transmittal Number: LA 19-0018

TN 19-0018
Supersedes
TN 19-0006

Approval Date: June 26, 2019
Effective Date: July 1, 2019