



Division of Medicaid & Children's Health Operations

SEP 17 2013

Dorothy Frost Teeter, Director
MaryAnne Lindeblad, Medicaid Director
Health Care Authority
P.O. Box 45502
Olympia, Washington 98504-5502

RE: Washington State Plan Amendment (SPA) Transmittal Number 13-011

Dear Ms. Teeter and Ms. Lindeblad:

The Centers for Medicare & Medicaid Services (CMS) Pharmacy Team recently approved State Plan Amendment (SPA) 13-011 effective July 1, 2013, removing an out-of-date Supplemental Drug Rebate Agreement associated with TN 02-001.

The state will receive an approval letter for this SPA from the CMS Pharmacy Team. The Seattle Regional Office is also providing an additional copy as we were the recipient of the original, signed amendment request, and we maintain the official Washington State Plan. Enclosed you will find a copy of the official CMS form 179, amended page(s), and copy of the approval letter from the Pharmacy Team for your records.

If you have any questions concerning the Seattle Regional Office role in the processing of this SPA, please contact me, or have your staff contact Maria Garza at (206) 615-2542 or via email at maria.garza@cms.hhs.gov.

Sincerely,

A handwritten signature in blue ink that reads "Carol J.C. Peverly". The signature is written in a cursive style with a long, sweeping tail on the final letter.

Carol J.C. Peverly
Associate Regional Administrator
Division of Medicaid and Children's Health
Operations

Enclosure

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL	1. TRANSMITTAL NUMBER: 13-11	2. STATE Washington
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
FOR: HEALTH CARE FINANCING ADMINISTRATION	4. PROPOSED EFFECTIVE DATE April 1, 2013 July 1, 2013 (P&I)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		

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)

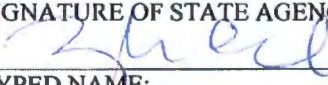
6. FEDERAL STATUTE/REGULATION CITATION: Section 1902(a) of the Social Security Act	7. FEDERAL BUDGET IMPACT: a. FFY 2012 \$0 b. FFY 2013 \$0
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Att. 3.1-A pg. 31 Att. 3.1-B pg. 31 Associated with Supplement A to Att. 4.19-B: • Supplemental Rebate contract template 02-001 TCS • Supplemental Rebate Agreement TN#03-024	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Att. 3.1-A pg. 31 Att. 3.1-B pg. 31 Associated with Supplement A to Att. 4.19-B: • Supplemental Rebate contract template 02-001 TCS (P&I) • Supplemental Rebate Agreement TN#03-024

10. SUBJECT OF AMENDMENT:

Remove Outdated Supplemental Drug Agreements

11. GOVERNOR'S REVIEW (Check One):


GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED: Exempt
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL: 	16. RETURN TO: Ann Myers Office of Rules and Publications Legal and Administrative Services Health Care Authority 626 8 th Ave SE MS: 42716 Olympia, WA 98504-2716
13. TYPED NAME: MARYANNE LINDEBLAD	
14. TITLE: MEDICAID DIRECTOR	
15. DATE SUBMITTED: 8-12-13	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: 8/12/2013	18. DATE APPROVED: 9/17/2013
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PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL: July 1, 2013	20. SIGNATURE OF REGIONAL OFFICIAL: 
21. TYPED NAME: Carol J.C. Peverly	22. TITLE: Associate Regional Administrator Division of Medicaid & Children's Health

23. REMARKS:

8.14.13 the state authorizes a P&I change to box 9
8.29.13 the state authorizes a P&I change to box 4

9/9/2013 state authorizes P&I change to box 6

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State WASHINGTONAMOUNT, DURATION, AND SCOPE OF MEDICAL AND REMEDIAL
CARE AND SERVICES PROVIDED TO THE CATEGORICALLY NEEDY

12. a. Prescribed drugs (continued)

- (6) Prior authorization programs for covered outpatient drugs provide for a response within 24 hours of a request for prior authorization and provides for the dispensing of at least a 72-hour supply of medications in emergency situations.

Supplemental Rebate Agreement

- (7) The state is in compliance with Section 1927 of the Act. The state will cover drugs of manufacturers participating in the Medicaid Drug Rebate Program. Based on the requirements for Section 1927 of the Act, the state has the following policies for drug rebate agreements:

- Manufacturers are allowed to audit utilization rates.
- The unit rebate amount is confidential and cannot be disclosed for purposes other than rebate invoicing and verification, in accordance with Section 1927 (b)(3)(D).
- A rebate agreement between the state and a drug manufacturer for drugs provided to the Washington Medicaid population, submitted to CMS on July 15, 2008, entitled "State of Washington Supplemental Rebate Contract," has been authorized by CMS.
- The state reports rebates from separate agreements to the Secretary for Health and Human Services. The state will remit the federal portion of any cash state supplemental rebates collected on the same percentage basis applied under the national rebate agreement.
- All drugs covered by the program, irrespective of a prior authorization agreement, will comply with provisions of the national drug rebate agreement.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State WASHINGTON

AMOUNT, DURATION, AND SCOPE OF SERVICES PROVIDED TO THE
MEDICALLY NEEDY GROUP(S): ALL

12. a. Prescribed drugs (cont.)

Supplemental Rebate Agreement

(7) The state is in compliance with Section 1927 of the Act. The state will cover drugs of manufacturers participating in the Medicaid Drug Rebate Program. Based on the requirements for Section 1927 of the Act, the state has the following policies for drug rebate agreements:

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- All drugs covered by the program, irrespective of a prior authorization agreement, will comply with provisions of the national drug rebate agreement.

[Back to TOC](#)

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, Maryland 21244-1850



Center for Medicaid and CHIP Services

Disabled and Elderly Health Programs Group

SEP 17 2013

Ms. MaryAnne Lindeblad
Medicaid Director
Office of Rules and Publications
Legal and Administrative Services
Health Care Authority
626 8th Ave. SE MS: 42716
Olympia, WA 98504-2716
Attn: Ann Myers

Dear Ms. Lindeblad:

We have reviewed Washington State Plan Amendment (SPA) 13-11, Remove Outdated Supplemental Drug Agreements, received in the Regional Office on August 12, 2013. Under this SPA, Washington is removing reference to an outdated Supplemental Rebate Agreement from the Medicaid Plan Page.

We are pleased to inform you that the amendment is approved, effective July 1, 2013. A copy of the CMS-179 form, as well as the pages approved for incorporation into the Washington state plan, will be forwarded by the Seattle Regional Office. If you have any questions regarding this amendment, please contact Terry Simananda at (410) 786-8144.

Sincerely,

A handwritten signature in black ink, appearing to read "Larry Reed", is written over a faint, larger version of the signature.

Larry Reed
Director
Division of Pharmacy

cc: Carol Peverly, ARA, Seattle Regional Office
Maria Garza, Seattle Regional Office