

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 & Elderly Health Programs Group**

January 22, 2014

Ms. Ann Berg
Deputy Medicaid Director
Minnesota Department of Human Services
P.O. Box 64998
St. Paul, MN 55164-0998

Dear Ms. Ann Berg:

We have reviewed Minnesota State Plan Amendment (SPA) 13-010, Prescribed Drugs, received in the Regional Office on October 24, 2013. This amendment proposes to revise the National Medicaid Pooling Initiative (NMPI) Supplemental Rebate Agreement (SRA) previously submitted to CMS on March 20, 2008 to include definitions and structural changes that would provide the option of including Medicaid managed care utilization for accrual of supplemental rebates. We are pleased to inform you that the amendment is approved effective October 1, 2013.

We believe that the Minnesota NMPI SRA continues to be consistent with the objectives of the Medicaid program. Please note that this authorization extends only to the revised SRA, attachments and schedules included in this approval packet which will replace the current SRA packet submitted to CMS on March 20, 2008. Inclusion of the managed care organization (MCO) utilization under the Minnesota NMPI SRA is optional and at the sole discretion of each member state.

If revisions are subsequently made to include MCO utilization for supplemental rebate collection or any other changes to the supplemental drug rebate agreement, attachments or schedules, all such documents should be submitted to CMS for review and approval. A separate SPA will be required if the state intends to exercise the option of including MCO utilization for supplemental rebates.

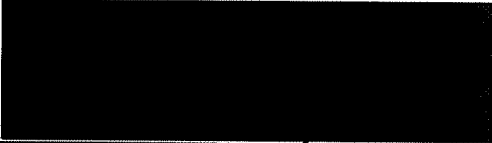
A copy of the CMS-179 form, as well as the pages approved for incorporation into the Minnesota state plan will be forwarded to you by the Chicago Regional Office. If you have any questions regarding this amendment, please contact Lisa Ferrandi at (410) 786-5445.

Sincerely,

/s/

Kim Howell
Acting Director
Division of Pharmacy

cc: Sean Barrett, Minnesota Department of Human Services
Verlon Johnson, ARA, Chicago Regional Office
Courtenay Savage, Chicago Regional Office

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 13-10	2. STATE Minnesota
FOR: CENTER FOR MEDICARE & MEDICAID SERVICES		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTER FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE October 1, 2013	
5. TYPE OF PLAN MATERIAL (Check One): <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT			
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR § 440.120(a)		7. FEDERAL BUDGET IMPACT: a. FFY '14 \$0 b. FFY '15 \$0	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 3.1-A, 46f Attachment 3.1-B, 45f		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Same	
10. SUBJECT OF AMENDMENT: Pharmacy: Multi-state Pooling Agreement			
11. GOVERNOR'S REVIEW (Check One): <input checked="" type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: Sean Barrett Minnesota Department of Human Services Federal Relations Unit PO Box 64983 St. Paul, MN 55164-0983	
13. TYPED NAME: Ann Berg			
14. TITLE: Deputy Medicaid Director			
15. DATE SUBMITTED: October 24, 2013			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: October 24, 2013		18. DATE APPROVED: 1/22/14	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: October 1, 2013		20. SIGNATURE OF REGIONAL OFFICIAL: /s/	
21. TYPED NAME: Verlon Johnson		22. TITLE: Associate Regional Administrator	
23. REMARKS:			

STATE: MINNESOTA

ATTACHMENT 3.1-A

Effective: October 1, 2013

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TN: 13-10

Approved: 1/22/14

Supersedes: 13-02 (12-19, 08-01, 05-09, 04-09, 03-36)

12.a. Prescribed drugs. (continued)

Prior Authorization:

A. The following requirements, found in §1927(d)(5) of the Act, are met:

- The prior authorization program provides a response by telephone or other telecommunication device within 24 hours of a request.
- The prior authorization program provides for the dispensing of at least a 72-hour supply of a covered drug in an emergency situation (except for those drugs that are excluded or restricted from coverage, as noted above).

B. Prior authorization, for a period of not more than 180 days, may automatically be required for drugs approved by the FDA on or after July 1, 2005. The 180-day period begins no later than the first day that a drug is available for shipment to pharmacies within Minnesota. The Department's Drug Formulary Committee will establish general authorization criteria to be used during the 180-day period.

C. Based on the requirements in §1927, the State has the following policies for the supplemental drug rebate program for Medicaid recipients:

1. CMS has authorized the State of Minnesota to enter into the Michigan Multi-State Pooling Agreement (MMSPA) also referred to as the National Medicaid Pooling Initiative (NMPI) for drugs provided to Medicaid beneficiaries. The NMPI Supplemental Rebate Agreement (SRA) and the amendment to the SRA submitted to CMS on April 30, 2004 have been authorized for pharmaceutical manufacturers' existing agreements through their current expiration dates. The updated NMPI SRA ~~submitted to the CMS on January 29, 2008~~ effective for October 1, 2013, has been authorized for renewal and new agreements with pharmaceutical manufacturers for drugs provided to Medicaid beneficiaries.
2. Supplemental drug rebates received by the State in excess of those required under the national drug rebate agreement will be shared with the Federal government on the same percentage basis as applied under the national drug rebate agreement.
3. Manufacturers with supplemental rebate agreements are allowed to audit utilization data.

STATE: MINNESOTA

ATTACHMENT 3.1-B

Effective: October 1, 2013

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