

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Atlanta Regional Office
61 Forsyth Street, Suite 4T20
Atlanta, Georgia 30303



DIVISION OF MEDICAID & CHILDREN'S HEALTH OPERATIONS

August 16, 2018

Blake Fulenwider
Deputy Commissioner, Medicaid Chief
Georgia Department of Community Health
2 Peachtree Street, NW, Suite 36-450
Atlanta, GA 30303

Re: Georgia State Plan Amendment 18-0002

Dear Mr. Fulenwider:

This is to affirm approval of the above referenced State Plan Amendment which was submitted to the Regional Office on May 23, 2018. The State's requested effective date of April 10, 2018 has been accepted.

Enclosed for your records are:

1. A copy of the approval letter dated August 12, 2018 that was submitted to the State by John M. Coster, Director, Division of Pharmacy;
2. The original signed 179; and
3. The approved plan pages.



If you have any additional questions regarding this amendment, please contact Etta Hawkins, State Coordinator for Georgia, at 404-562-7429.

Sincerely,

A handwritten signature in black ink that reads "Shantrina D. Roberts for".

Shantrina D. Roberts, MSN
Associate Regional Administrator
Division of Medicaid & Children's Health Operations

Enclosure(s)

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 18-002	2. STATE GEORGIA
		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE AND MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE April 10, 2018	
5. TYPE OF PLAN MATERIAL (Check One):			
<input type="checkbox"/> NEW STATE PLAN <input checked="" type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input 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 447 Subpart F		7. FEDERAL BUDGET IMPACT: FFY 2018 \$0 FFY 2019 \$0	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Supplemental Rebate Agreement Template, located on the unnumbered 36 pages following Attachment 3.1-A, Page 5a.1b.		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Supplemental Rebate Agreement Template located on the unnumbered 11 pages following Attachment 3.1-A, Page 5a.1b.	
10. SUBJECT OF AMENDMENT: Supplemental Rebate Agreement (SRA) template update.			
11. GOVERNOR'S REVIEW (Check One)			
<input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL		<input checked="" type="checkbox"/> OTHER, AS SPECIFIED: Single State Agency Comments Attached	
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO:	
13. TYPED NAME: BLAKE FULENWIDER		Department of Community Health Division of Medicaid	
14. TITLE: CHIEF, DIVISION OF MEDICAID		2 Peachtree Street, NW, 36th Floor Atlanta, Georgia 30303-3159	
15. DATE SUBMITTED: 05-18-2018			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 05/23/18		18. DATE APPROVED: 08/09/18	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 04/10/18		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: Shantrina D. Roberts		22. TITLE: Associate Regional Administrator Division of Medicaid & Children's Health Operations	
23. REMARKS:			

12a. PRESCRIBED DRUGS (continued)

No payment will be made for innovator multiple source drugs for which federal upper limits have been established, unless the physician has certified that the brand is medically necessary in his own handwriting on the prescription and prior authorization is granted.

Prior Approval is required for recipients to obtain certain types of drugs with therapy limitations and for certain drugs prior to dispensing.

- Effective July 1, 1991, prior authorization is provided through a vendor contractual agreement pursuant to 42 U.S.C. section 1396-r, the state is establishing a preferred drug list. The process for prior authorization of drugs not included on the preferred drug list will be determined. Prior authorization will be provided with a 24-hour turn-around from receipt of request and a 72-hour supply of drugs will be provided in emergency situations.
- Prior authorization will be established for certain drug classes or particular drugs in accordance with Federal law.
- The state will utilize the drug utilization review board to ensure that in addition to pricing consideration, preferred drugs are clinically appropriate.

Supplemental Rebate Program

The state is in compliance with Section 1927 of the Social Security Act. Based on the requirements for Section 1927 of the act, the State has the following policies for the supplemental drug rebate program for the Medicaid population. All covered drugs of federal rebate participating manufacturers remain available to the Medicaid program but may require prior authorization. The state is in compliance with reporting requirements for utilization and restrictions to covered populations.

- A. CMS has authorized the State of Georgia to collect supplemental rebates by way of a supplemental rebate agreement (SSSRA) program effective July 1, 2009. The Supplemental Drug Rebate Agreement was updated and submitted to CMS on April 10, 2018 and has been authorized by CMS for pharmaceutical manufacturer agreements.
- B. Any contracts not authorized by CMS will be submitted to the Centers for Medicare and Medicaid Services for approval.
- C. All drugs covered by the program irrespective of a supplemental agreement, will comply with the provisions of the national drug rebate agreement.
- D. Supplemental rebates received by the state in excess of those required under the national drug rebate agreement will be shared with the federal government. The state will remit the federal portion of any cash state supplemental rebates collected on the same percentage basis as applied under the national rebate agreement.
- E. 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).
- F. Acceptance of supplemental rebates for products covered in the Medicaid program does not exclude the manufacturers' product(s) from prior authorization or other utilization management requirements.
- G. Rebates paid under CMS-approved, SSSRA for the Georgia Medicaid population does not affect AMP or best price under the Medicaid program.

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

August 12, 2018

Blake Fulenwider, Chief, Division of Medicaid
Department of Community Health
Division of Medicaid
2 Peachtree Street, NW, 36th Floor
Atlanta, Georgia 30303-3159

Dear Mr. Fulenwider:

We have reviewed Georgia State Plan Amendment (SPA) 18-0002, received in the Atlanta Regional Office on May 23, 2018. This amendment proposes to revise the state's Supplemental Drug Rebate Agreement template.

Based on the information provided, we are pleased to inform you that, consistent with the regulations at 42 CFR 430.20, SPA 18-0002 is approved with an effective date of April 10, 2018. A copy of the signed CMS-179 form, as well as the pages approved for incorporation into the Georgia state plan will be forwarded by the Atlanta Regional Office.

If you have any questions regarding this amendment, please contact Mickey Morgan at (410) 786-4048 or mickey.morgan@cms.hhs.gov.

Sincerely,

A handwritten signature in black ink, which appears to read "John M. Coster".

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

CC: Peter D' Alba, Georgia Director of Pharmacy, Medicaid
Shantrina Robert, CMS Associate Regional Administrator
Etta Hawkins, CMS Regional Office