## ARKANSAS REGISTER



## **Transmittal Sheet**

Use only for **FINAL** and **EMERGENCY RULES** 

Secretary of State
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For Office Use Only:		
	Code Number	
Name of Agency Department of Human Services		
Department Division of Medical Services		
Contact Isaac Linam	E-mail isaac.linam@dhs.arkansas.gov Phone 501	1-320-6570
Statutory Authority for Promulgating Rules Arkansas Code Annotated 20-76-201		
Rule Title: Arkansas State Plan Amendment #2018-012 - Pharmacy		
Intended Effective Date		Date
Emergency (ACA 25-15-204)	Legal Notice Published	08/13/2018
10 Days After Filing (ACA 25-15-204)	Final Date for Public Comment	09/12/2018
Other January 1, 2019 (Must be more than 10 days after filing date.)	Reviewed by Legislative Council	10/19/2018
(Must be more than 10 days after filing date.)	Adopted by State Agency	01/01/2019
Electronic Copy of Rule e-mailed from: (Required	d under ACA 25-15-218)	
	urphy@dhs.arkansas.gov	
Contact Person	E-mail Address	Date
CERTIFICATION OF AUTHORIZED OFFICER  I Hereby Certify That The Attached Rules Were Adopted  In Compliance with the Arkansas Administrative Act. (ACA 25-15-201 et. seq.)		
Jan Jahan		
(501) 682-8330	tami.harlan@dhs.arkansas.gov	
Phone Number E-mail Address Director		
Title		
10/16/14		

# STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT MEDICAL ASSISTANCE PROGRAM STATE ARKANSAS

ATTACHMENT 3.1-A Page 5aa

January 1, 2019

## AMOUNT, DURATION AND SCOPE OF SERVICES PROVIDED

#### CATEGORICALLY NEEDY

12. Prescribed drugs, dentures and prosthetic devices; and eyeglasses prescribed by a physician skilled in diseases of the eye or by an optometrist (Continued)

- a. Prescribed Drugs (continued)
  - (4) The state is in compliance with section 1927 of the Social Security Act. The state will cover drugs of Federal rebate participating manufacturers. The state is in compliance with reporting requirements for utilization and restrictions to coverage. Pharmaceutical manufacturers can audit utilization data.

The state will be negotiating supplemental rebates in the Medicaid program in addition to the Federal rebates provided for in Title XIX. Rebate agreements between the state and pharmaceutical manufacturer(s) will be separate from the Federal rebates.

Revised:

A rebate agreement between the state and a participating drug manufacturer for drugs provided to the Medicaid program, submitted to CMS on May 24, 2016, and entitled, State of Arkansas Supplemental Rebate Agreement, has been authorized by CMS. Any additional versions of rebate agreements negotiated between the state and manufacturer(s) after May 24, 2016, will be submitted to CMS for authorization.

The state supplemental rebate agreements would apply to the drug benefit, both fee-for-service and those paid by contracted Medicaid managed care organizations (MCOs), under prescribed conditions in Attachment C of the State of Arkansas Supplemental Rebate Agreement. State supplemental rebate agreements would apply to beneficiaries, including those made eligible under the Affordable Care Act receiving fee-for-service benefits and those that are enrolled under a Medicaid managed care organization agreement.

Supplemental 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 rebate agreement.

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

The supplemental rebate program does not establish a drug formulary within the meaning of 1927(d)(4) of the Social Security Act.

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) of the Social Security Act.

(5) Pursuant to 42 U.S.C. Section 1396r-8 the state is establishing a preferred drug list with prior authorization for drugs not included on the preferred drug list. Prior authorization will be provided within a 24-hour turn-around from receipt of request and a 72-hour supply of drugs in emergency situations.

State: Arkansas

Date Received: 14 August, 2018 Date Approved: 3 October, 2018 Effective Date: 1 January, 2019 Transmittal Number: 18-012

<u>TN: 18-12</u> <u>Approval Date: 10/03/2018</u> <u>Effective: 1/1/2019</u>

Supersedes TN: 16-02

# STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT MEDICAL ASSISTANCE PROGRAM STATE <u>ARKANSAS</u>

ATTACHMENT 3.1-B Page 4h

### AMOUNT, DURATION AND SCOPE OF SERVICES PROVIDED

Revised:

January 1, 2019

#### MEDICALLY NEEDY

- 12. Prescribed drugs, dentures and prosthetic devices; and eyeglasses prescribed by a physician skilled in diseases of the eye or by an optometrist (Continued)
  - a. Prescribed Drugs (continued)
    - (4) The state is in compliance with section 1927 of the Social Security Act. The state will cover drugs of Federal rebate participating manufacturers. The state is in compliance with reporting requirements for utilization and restrictions to coverage. Pharmaceutical manufacturers can audit utilization data.

The state will be negotiating supplemental rebates in the Medicaid program in addition to the Federal rebates provided for in Title XIX. Rebate agreements between the state and pharmaceutical manufacturer(s) will be separate from the Federal rebates.

A rebate agreement between the state and a participating drug manufacturer for drugs provided to the Medicaid program, submitted to CMS on May 24, 2016, and entitled, State of Arkansas Supplemental Rebate Agreement, has been authorized by CMS. Any additional versions of rebate agreements negotiated between the state and manufacturer(s) after May 24, 2016, will be submitted to CMS for authorization.

The state supplemental rebate agreements would apply to the drug benefit, both fee-for-service and those paid by contracted Medicaid managed care organizations (MCOs), under prescribed conditions in Attachment C of the State of Arkansas Supplemental Rebate Agreement. State supplemental rebate agreements would apply to beneficiaries, including those made eligible under the Affordable Care Act receiving fee-for-service benefits and those that are enrolled under a Medicaid managed care organization agreement.

Supplemental 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 rebate agreement.

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

The supplemental rebate program does not establish a drug formulary within the meaning of 1927(d)(4) of the Social Security Act.

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) of the Social Security Act.

(5) Pursuant to 42 U.S.C. Section 1396r-8 the state is establishing a preferred drug list with prior authorization for drugs not included on the preferred drug list. Prior authorization will be provided within a 24-hour turn-around from receipt of request and a 72-hour supply of drugs in emergency situations.

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