

# ARKANSAS REGISTER

## Proposed Rule Cover Sheet



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Name of Department \_\_\_\_\_

Agency or Division Name \_\_\_\_\_

Other Subdivision or Department, If Applicable \_\_\_\_\_

Previous Agency Name, If Applicable \_\_\_\_\_

Contact Person \_\_\_\_\_

Contact E-mail \_\_\_\_\_

Contact Phone \_\_\_\_\_

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Name of Rule \_\_\_\_\_

Newspaper Name \_\_\_\_\_

Date of Publishing \_\_\_\_\_

Final Date for Public Comment \_\_\_\_\_

Location and Time of Public Meeting \_\_\_\_\_

## NOTICE OF RULE MAKING

The Director of the Division of Medical Services of the Department of Human Services announces for a public comment period of thirty (30) calendar days a notice of rulemaking for the following proposed rule under one or more of the following chapters, subchapters, or sections of the Arkansas Code: §§ 20-76-201, 20-77-107, and 25-10-129.

### **Effective May 1, 2022:**

The Director of the Division of Medical Services (DMS) is adding two provisions to the Arkansas State Medicaid Plan concerning prescription drugs. The provisions involve Preferred Drug Lists (PDL) and Value Based Purchasing (VBP). DMS is making these changes to combat the rising cost of pharmaceuticals while still providing Medicaid beneficiaries with quality care and access to medications. Working with a PDL allows for higher supplemental rebates from the manufacturer, due to buying power as more states participate. VBP allows for discount agreements directly with manufacturers on high cost medications outside of the PDL.

Provision 1: DMS adds that the state may join a PDL pool to maximize state supplemental rebates. The state will continue to select products participating in the Federal rebate program that will be in its PDL Program and will only receive state supplemental rebates for manufacturer's supplemental covered products included on the PDL list.

Provision 2: DMS adds that the state may enter value-based contracts with manufacturers on a voluntary basis. These contracts will be executed on the model agreement entitled "Value-Based Supplemental Rebate Agreement". The state may enter into outcome-based contracts with manufacturers on a voluntary basis, the conditions of which would be agreed upon by both the state and the manufacturer.

The state estimates an annual savings of \$2,000,000, of which \$570,200 is state general revenue.

The proposed rule is available for review at the Department of Human Services (DHS) Office of Rules Promulgation, 2nd floor Donaghey Plaza South Building, 7th and Main Streets, P. O. Box 1437, Slot S295, Little Rock, Arkansas 72203-1437. You may also access and download the proposed rule at <https://humanservices.arkansas.gov/do-business-with-dhs/proposed-rules/>. Public comments must be submitted in writing at the above address or at the following email address: [ORP@dhs.arkansas.gov](mailto:ORP@dhs.arkansas.gov). All public comments must be received by DHS no later than February 21, 2022. Please note that public comments submitted in response to this notice are considered public documents. A public comment, including the commenter's name and any personal information contained within the public comment, will be made publicly available and may be seen by various people.

A public hearing by remote access only will be held on February 15, 2022 at 2:00 p.m. Individuals can access this public hearing by calling 1-888-240-3210 and entering the conference code, **897 1946 7161**.

If you need this material in a different format, such as large print, contact the Office of Rules Promulgation at 501-396-6428.

The Arkansas Department of Human Services is in compliance with Titles VI and VII of the Civil Rights Act and is operated, managed and delivers services without regard to religion, disability, political affiliation, veteran status, age, race, color or national origin. 4502035775

  
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Elizabeth Pittman, Director  
Division of Medical Services