



**State of Louisiana**  
Louisiana Department of Health  
Office of the Secretary

August 21, 2024

James G. Scott, Director  
Division of Program Operations  
Medicaid & CHIP Operations Group  
601 East 12<sup>th</sup> Street, Room 0300  
Kansas City, Missouri 64106-2898

RE: Louisiana Title XIX State Plan  
Transmittal No. 24-0019

Dear Mr. Scott:

I have reviewed and approved the enclosed Louisiana Title XIX State Plan material.

I recommend this material for adoption and inclusion in the body of the State Plan.  
Should you have any questions or concerns regarding this matter, please contact Marjorie Jenkins at (225) 342-3881 or via email at [Marjorie.Jenkins@la.gov](mailto:Marjorie.Jenkins@la.gov).

Sincerely,

A handwritten signature in blue ink that reads "Michael Harrington".  
Michael Harrington, MBA, MA  
Secretary

Attachments (2)

MH:KS:KC

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL  
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER  
**24-0019**

2. STATE  
**LA**

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL  
SECURITY ACT

TO: CENTER DIRECTOR  
CENTERS FOR MEDICAID & CHIP SERVICES  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE  
**October 20, 2024**

5. FEDERAL STATUTE/REGULATION CITATION

**42 CFR 440.120**

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY **2024** **\$0**

b. FFY **2025** **\$0**

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

**Attachment 3.1-A, Item 12a, Page 4**

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR  
ATTACHMENT (If Applicable)  
**Same (TN 19-0029)**

9. SUBJECT OF AMENDMENT

**The purpose of this SPA is to amend the provisions governing the Pharmacy Benefits Management Program in order to align the language relative to shortages of drugs not on the covered drug list, including drugs authorized for import by the Food and Drug Administration (FDA) that may be covered when deemed medically necessary during drug shortages identified by the FDA, with CMS requirements.**

10. GOVERNOR'S REVIEW (Check One)

- ☐ GOVERNOR'S OFFICE REPORTED NO COMMENT  
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED  
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☒ OTHER, AS SPECIFIED:

The Governor does not review State Plan material.

11. SIGNATURE OF STATE AGENCY OFFICIAL



12. TYPED NAME

**Michael Harrington, MBA, MA**

13. TITLE

**Secretary**

14. DATE SUBMITTED

**August 21, 2024**

15. RETURN TO

**Kimberly Sullivan, J.D.  
Medicaid Executive Director  
Louisiana Department of Health  
628 North 4<sup>th</sup> Street  
P.O. Box 91030  
Baton Rouge, LA 70821-9030**

**FOR CMS USE ONLY**

16. DATE RECEIVED

17. DATE APPROVED

**PLAN APPROVED - ONE COPY ATTACHED**

18. EFFECTIVE DATE OF APPROVED MATERIAL

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL

21. TITLE OF APPROVING OFFICIAL

22. REMARKS

**STATE OF LOUISIANA**

**AMOUNT, DURATION AND SCOPE OF MEDICAL AND REMEDIAL CARE AND SERVICES PROVIDED**  
**LIMITATIONS ON THE AMOUNT, DURATION AND SCOPE OF CERTAIN ITEMS OF**  
**PROVIDED MEDICAL AND REMEDIAL CARE AND SERVICES DESCRIBED AS FOLLOWS:**

- d. Manufacturers are allowed to audit utilization data;
  - e. The unit rebate amount is confidential and cannot be disclosed for purposes other than rebate invoicing and verification; and
  - f. The Department will utilize the same processes to resolve State Supplemental rebate issues as it uses to resolve federal rebate disputes and as outlined in CMS' *Best Practices Guide for Dispute Resolution Under the Medicaid Drug Rebate Program*.
- 4. The Department is also in compliance with state regulations relative to the confidentiality of supplemental rebate information contained in the records of the Department and its agents.
  - 5. CMS has authorized the template for the State of Louisiana to enter into a single, state-specific Supplemental Rebate Agreement between the State and a drug manufacturer(s) for both fee-for-service and those paid by contracted managed care organizations (MCOs) in the Medicaid program, submitted to CMS on May 15, 2019, entitled "*State of Louisiana Supplemental Rebate Agreement*" and has been authorized by CMS effective July 1, 2019.
  - 6. CMS has authorized the state of Louisiana to enter into *The Optimal PDL Solution (TOP\$)*. This Supplemental Drug Rebate Agreement was submitted to CMS on November 5, 2013, and has been authorized by CMS effective October 1, 2013. The TOP\$ supplemental rebate agreements would apply to the drug benefit, both fee-for-service and those paid by contracted managed care organizations (MCOs), under prescribed conditions in Attachment A-2 of the TOP\$ Supplemental Rebate Agreement, effective May 1, 2019.
  - 7. The Department may enter into an agreement with a pharmaceutical manufacturer for outcomes-based contracts on a voluntary basis. The contracts will be executed on a model agreement entitled "*Value-Based Supplemental Rebate Agreement*" submitted to CMS on December 30, 2019, with an effective date of January 20, 2020.

**E. Single State-Managed Preferred Drug List**

Effective May 1, 2019, the Department shall implement a single state-managed PDL for all participating MCOs and for fee-for-service.

**F. Drug Shortages**

Drugs that are not on the list of covered drugs, including drugs authorized for import by the Food and Drug Administration (FDA), may be covered when deemed medically necessary during drug shortages identified by the FDA.