

Jeff Landry
GOVERNOR



Michael Harrington, MBA, MA
SECRETARY

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 12th 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.

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 <u>XIX</u> OF THE SOCIAL SECURITY ACT	
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 <u>2024</u> \$0 b. FFY <u>2025</u> \$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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Same (TN 19-0029)

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

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)

<input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT	<input checked="" type="checkbox"/> OTHER, AS SPECIFIED: The Governor does not review State Plan material.
<input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED	
<input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL	

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 4th 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.