



State of Louisiana
Louisiana Department of Health
Office of the Secretary

VIA ELECTRONIC MAIL ONLY

April 25, 2019

Bill Brooks
Associate Regional Administrator
Division of Medicaid & Children's Health
DHHS/Centers for Medicare and Medicaid Services
1301 Young Street, Room #833
Dallas, Texas 75202

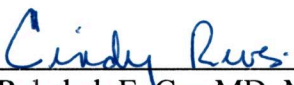
RE: Louisiana Title XIX State Plan
Transmittal No. 19-0017

Dear Mr. Brooks:

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 Karen Barnes at (225) 342-3881 or via email at Karen.Barnes@la.gov.

Warmly,


_____, for
Rebekah E. Gee MD, MPH
Secretary

Attachments (3)

REG:JS:MJ

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES

1. TRANSMITTAL NUMBER

19-0017

2. STATE

Louisiana

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

4. PROPOSED EFFECTIVE DATE

May 1, 2019

TO: REGIONAL ADMINISTRATOR
CENTERS FOR MEDICARE & MEDICAID SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

5. TYPE OF PLAN MATERIAL (Check One)

☐ NEW STATE PLAN

☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN

☒ 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 I

7. FEDERAL BUDGET IMPACT

a. FFY 2019 **\$ 0**

b. FFY 2020 **\$(14,743,799)**

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 3.1-A, Item 12a, Page 4

9. PAGE NUMBER OF THE SUPERSEDED PLAN
SECTION OR ATTACHMENT (If Applicable)

SAME (TN 17-0008) Also pending TN 19-0006

10. SUBJECT OF AMENDMENT: The purpose of this SPA is to amend the provisions governing the Pharmacy Benefits Management Program in order to apply the TOPS supplemental rebate agreement 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 TOPS Supplemental Rebate Agreement.

11. 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

s OTHER, AS SPECIFIED

The Governor does not review State Plan material.

12. SIGNATURE OF STATE AGENCY OFFICIAL

Cindy Rives

13. TYPED NAME

Cindy Rives, designee for Rebekah E. Gee MD, MPH

14. TITLE

Secretary

15. DATE SUBMITTED

April 25, 2019

16. RETURN TO

Jen Steele, Medicaid Director

State of Louisiana

Department of Health

628 North 4th Street

P.O. Box 91030

Baton Rouge, LA 70821-9030

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED

18. DATE APPROVED

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL

20. SIGNATURE OF REGIONAL OFFICIAL

21. TYPED NAME

22. TITLE

23. REMARKS

LA TITLE XIX SPA

TRANSMITTAL #: 19-0017

TITLE: Pharmacy Benefits Management Program - MCOs Supplemental Rebates

EFFECTIVE DATE: May 1, 2019

FISCAL IMPACT:
Decrease

1st SFY	year	% Inc.	fed. match	*# mos	range of mos.	dollars
2019			%	*1	June 2019	\$0
2nd SFY	2020			12	July 2019- June 2020	-\$90,731,071
3rd SFY	2021			12	July 2020 - June 2021	UNK

*Implementation May 1 2019, with a one month claim lag.

Total Increase or Decrease Cost FFY 2019

SFY 2019 \$0 for *1 months June 2019 \$0

SFY 2020 (\$90,731,071) for 12 months July 2019- June 2020 (\$22,682,768)
 (\$90,731,071) / 12 X 3 = (\$22,682,768)

(\$14,743,799)

Total Increase or Decrease Cost FFY 2020

SFY 2020 (\$90,731,071) for 12 months July 2019- June 2020 (\$68,048,303)
 (\$90,731,071) / 12 X 9 = (\$68,048,303)

SFY 2021 UNK for 12 months July 2020 - June 2021 #VALUE!
 UNK / 12 X 3 = #VALUE!

#VALUE!

#VALUE! 66.86%

X

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. A rebate agreement between the state and a drug manufacturer for drugs provided to the Medicaid program, submitted to CMS on April 8, 2002 and entitled "Supplemental Rebate Agreement", was previously authorized by CMS on April 25, 2002.
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.

TN _____ Approval Date _____ Effective Date _____
Supersedes
TN _____