

AMOUNT, DURATION AND SCOPE OF  
SERVICES PROVIDED

Revised: ~~January 1, 2019~~ May 1, 2022

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.

**Effective May 1, 2022, the state may join a Preferred Drug List (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 Preferred Drug List Program and will only receive state supplemental rebates for manufacturer's supplemental covered products included on the PDL.**

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 state may enter into value-based contracts with manufacturers on a voluntary basis effective May 1, 2022. 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 effective May 1, 2022. The conditions of the outcome-based contract would be agreed upon by both the state and manufacturer.**

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.

MARKY-UP

TN: 22-0006

Approved:

Effective:05/01/2022

Supersedes TN:AR-18-12

AMOUNT, DURATION AND SCOPE OF  
SERVICES PROVIDED

Revised: January May 1, 20192022

MEDICALLY NEEDY

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