

SUMMARY FOR STATE PLAN AMENDMENT #2018-012

Effective January 1, 2019, the state supplemental rebate agreements will apply to the drug benefit, both fee-for-service and those paid by contracted managed care organizations (MCO), under prescribed conditions of the State of Arkansas Supplemental Rebate Agreement. State Supplemental rebate agreements will apply to beneficiaries receiving fee-for-service benefits under the Affordable Care Act that are assigned to MCOs. This change is to allow the State to collect Supplemental Rebates from manufacturers for encounter data for claims paid under the MCO's plans.

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AMOUNT, DURATION AND SCOPE OF
SERVICES PROVIDED

Revised: January 1, 2019

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.
- 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 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.

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Mark UP

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM
STATE ARKANSAS

AMOUNT, DURATION AND SCOPE OF
SERVICES PROVIDED
2019

Revised: July 1, 2016 January 1,

CATEGORICALLY NEEDY

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