

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop S2-14-26  
Baltimore, Maryland 21244-1850



**Center for Medicaid and CHIP Services**  
Disabled and Elderly Health Programs Group

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May 30, 2014

Toby Douglas  
Chief Deputy Director  
Department of Health Care Services  
Attn: State Plan Coordinator  
1501 Capital Avenue Suite 71.3.26  
P.O. Box 997417  
Sacramento, CA 95899-7417

Dear Mr. Douglas:

We have reviewed California's State Plan Amendment (SPA) 14-013, Prescribed Drugs, received in the San Francisco Regional Office on March 27, 2014. This amendment proposes to remove barbiturates, benzodiazepines, and agents used to promote smoking cessation from the list of drugs the state Medicaid program may exclude from coverage or otherwise restrict in order to comply with the requirements of Section 2502(a) of the Affordable Care Act.

Based on the information provided, we are pleased to inform you that consistent with the regulations at 42 CFR 430.20, SPA 14-013 is approved with an effective date of January 1, 2014. A copy of the signed CMS-179 form, as revised, as well as the pages approved for incorporation into the California state plan will be forwarded by the San Francisco Regional Office.

If you have any questions regarding this SPA, please contact Delaine Deardorff-Beck at (410) 786-2991.

Sincerely,

/s/

Joseph L. Fine  
Acting Director  
Division of Pharmacy

cc: Gloria Nagle, ARA, San Francisco Regional Office  
Tyler Sadwith, San Francisco Regional Office

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>	1. TRANSMITTAL NUMBER: <b>14-013</b>	2. STATE California
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
FOR: HEALTH CARE FINANCING ADMINISTRATION	4. PROPOSED EFFECTIVE DATE January 1, 2014	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION 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 USC 1396r-8(d)(2)	7. FEDERAL BUDGET IMPACT: a. FFY <del>(2013-2014)</del> 9 months 2014 None * b. FFY <del>(2014-2015)</del> 2015 None *
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  Supplement 2, Attachment 3.1.A.1, Page 3 Supplement 2, Attachment 3.1.B.1, Page 3	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):  Supplement 2, Attachment 3.1.A.1, Page 3 Supplement 2, Attachment 3.1.B.1, Page 3

10. SUBJECT OF AMENDMENT:

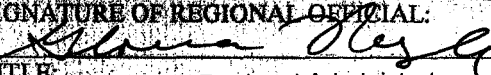
Technical amendments to conform state plan language with changes made by Section 2502 of the ACA with respect to benzodiazepines, barbiturates and smoking cessation agents.

11. GOVERNOR'S REVIEW (Check One):

GOVERNOR'S OFFICE REPORTED NO COMMENT       OTHER, AS SPECIFIED:  
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED      The Governor's Office does not  
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL      wish to review the State Plan Amendment.

Original Signed By Toby Douglas	16. RETURN TO:  Department of Health Care Services Attn: State Plan Coordinator 1501 Capitol Avenue, Suite 71.3.26 P.O. Box 997417 Sacramento, CA 95899-7417
14. TITLE: Chief Deputy Director	
15. DATE SUBMITTED: <b>MAR 27 2014</b>	

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED: March 27, 2014	18. DATE APPROVED: May 30, 2014
<b>PLAN APPROVED - ONE COPY ATTACHED</b>	
19. EFFECTIVE DATE OF APPROVED MATERIAL: January 1, 2014	20. SIGNATURE OF REGIONAL OFFICIAL: 
21. TYPED NAME: Gloria Nagle, Ph.D, MPA	22. TITLE: Associate Regional Administrator

23. REMARKS: \* Pen + Ink change 4/28/14 - DDB

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State Agency California

MEDICAID PROGRAM: REQUIREMENTS RELATING TO PAYMENT FOR COVERED OUTPATIENT  
DRUGS FOR THE **CATEGORICALLY NEEDY**

Citation (s)	Provision (s)
1927(d)(2) and 1935(d)(2)	<p><input checked="" type="checkbox"/> <b>(f) nonprescription drugs</b></p> <p>Some - as listed in the Over-The-Counter section of the Medi-Cal Contract Drug List</p> <p><a href="http://files.medi-cal.ca.gov/pubsdoco/manual/man_query.asp?wSearch=%28%23filename+dru gscdl%2A%2Edoc+OR+%23filename+drugscdl%2A%2Ezip%29&amp;wFLogo=Contract+Drugs+List&amp;wFLogoH=52&amp;wFLogoW=516&amp;wAlt=Contract+Drugs+List&amp;wPath=N">http://files.medi-cal.ca.gov/pubsdoco/manual/man_query.asp?wSearch=%28%23filename+dru gscdl%2A%2Edoc+OR+%23filename+drugscdl%2A%2Ezip%29&amp;wFLogo=Contract+Drugs+List&amp;wFLogoH=52&amp;wFLogoW=516&amp;wAlt=Contract+Drugs+List&amp;wPath=N</a></p>
	<p><input type="checkbox"/> <b>(g) covered outpatient drugs which the manufacturer seeks to require as a condition of sale that associated tests or monitoring services be purchased exclusively from the manufacturer or its designee (see specific drug categories below)</b></p>

TN No. 14-013  
Supersedes  
TN No. 13-001

Approval Date MAY 30 2014

Effective Date January 1, 2014

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State Agency California

MEDICAID PROGRAM: REQUIREMENTS RELATING TO PAYMENT FOR COVERED OUTPATIENT  
DRUGS FOR THE **MEDICALLY NEEDY**

Citation (s)		Provision (s)
1927(d)(2) and 1935(d)(2)	X	<b>(f) nonprescription drugs</b>  Some - as listed in the Over-The-Counter section of the Medi-Cal Contract Drug List  <a href="http://files.medi-cal.ca.gov/pubsdoco/manual/man_query.asp?wSearch=%28%23filename+drugscdl%2A%2Edoc+OR+%23filename+drugscdl%2A%2Ezip%29&amp;wFLogo=Contract+Drugs+List&amp;wFLogoH=52&amp;wFLogoW=516&amp;wAlt=Contract+Drugs+List&amp;wPath=N">http://files.medi-cal.ca.gov/pubsdoco/manual/man_query.asp?wSearch=%28%23filename+drugscdl%2A%2Edoc+OR+%23filename+drugscdl%2A%2Ezip%29&amp;wFLogo=Contract+Drugs+List&amp;wFLogoH=52&amp;wFLogoW=516&amp;wAlt=Contract+Drugs+List&amp;wPath=N</a>
	<input type="checkbox"/>	<b>(g) covered outpatient drugs which the manufacturer seeks to require as a condition of sale that associated tests or monitoring services be purchased exclusively from the manufacturer or its designee (see specific drug categories below)</b>

TN No. 14-013

Supersedes

TN No. 13-001

Approval Date MAY 30 2014

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