

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
San Francisco Regional Office
90 Seventh Street, Suite 5-300 (5W)
San Francisco, CA 94103-6706



DIVISION OF MEDICAID & CHILDREN'S HEALTH OPERATIONS

MAY 10 2013

Toby Douglas, Director
California Department of Health Care Services
P.O. Box 997413, MS 0000
Sacramento, CA 95899-7413

Dear Mr. Douglas:

Enclosed is an approved copy of California State Plan Amendment (SPA) 13-001. SPA 13-001 was submitted to my office on March 8, 2013 to comply with the Medicare Improvements for Patients and Providers Act (MIPPA) of 2008, which added barbiturates used in the treatment of epilepsy, cancer and chronic mental health disorders and benzodiazepines as categories of drugs Part D plans must cover as of January 1, 2013. This amendment excludes from coverage benzodiazepines for all conditions and barbiturates for those conditions for full benefit dual eligible beneficiaries.

The effective date of this SPA is January 1, 2013. Enclosed are the following approved SPA pages that should be incorporated into your approved State Plan:

- Attachment 3.1.A.1, page 3
- Attachment 3.1.B.1, page 3

Enclosed are the additional following documents:

- HCFA Form 179, signed with pen and ink changes
- Approval letter from CMS' Division of Pharmacy

If you have any questions, please contact Tyler Sadwith by phone at (415) 744-3563 or by email at Tyler.Sadwith@cms.hhs.gov.

Sincerely,

A handwritten signature in cursive script that reads "Gloria Nagle".

Gloria Nagle, Ph.D., MPA
Associate Regional Administrator
Division of Medicaid & Children's Health Operations

Enclosure

cc: Kathryn Waje, California Department of Health Care Services
Laurie Weaver, California Department of Health Care Services

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

May 10, 2013

Toby Douglas, Director
Department of Health Care Services
Attn: State Plan Coordinator
1501 Capitol Avenue, MS 4506
P.O. Box 997413
Sacramento, CA 95899-7413

Dear Mr. Douglas:

We have reviewed California's State Plan Amendment (SPA) 13-001, received in the Regional Office on March 8, 2013. This amendment proposes to exclude from coverage benzodiazepines for all conditions and barbiturates for the treatment of epilepsy, cancer, or a chronic mental disorders for full benefit dual eligible beneficiaries as Medicare Part D will provide this coverage.

Based on the information provided, we are pleased to inform you that consistent with the regulations at 42 CFR 430.20, the SPA is approved, with an effective date of January 1, 2013. A copy of the CMS-179 form, 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 amendment, please contact Delaine Deardorff-Beck at (415) 786-2991.

Sincerely,

/s/

Larry Reed
Director
Division of Pharmacy

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

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL	1. TRANSMITTAL NUMBER: 13-001	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, 2013	
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 (2012-2013-9 months) * (\$4.5) million savings b. FFY (2013-2014) * * (\$6) million savings
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

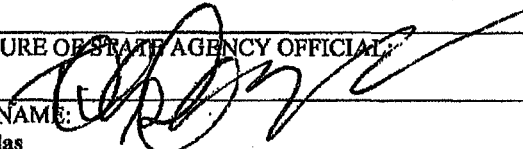
10. SUBJECT OF AMENDMENT:

Amendments to conform to MIPPA provisions related to Medicaid outpatient drug coverage.


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

OTHER, AS SPECIFIED:
The Governor's Office does not wish to review the State Plan Amendment.

12. SIGNATURE OF STATE AGENCY OFFICIAL: 	16. RETURN TO: Department of Health Care Services Attn: State Plan Coordinator 1501 Capitol Avenue, MS 4506 P.O. Box 997413 Sacramento, CA 95899-7413
13. TYPED NAME: Toby Douglas	
14. TITLE: Director	
15. DATE SUBMITTED: MAR 08 2013	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: 3/8/13	18. DATE APPROVED: MAY 10 2013
PLAN APPROVED - ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL: 1/1/13	20. SIGNATURE OF REGIONAL OFFICIAL: 
21. TYPED NAME: Gloria Nagle, Ph.D. MPA	22. TITLE: Associate Regional Administrator

23. REMARKS:

* pen + ink change - 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"/> (f) nonprescription drugs</p> <p>Some - as listed in the Over-The-Counter section of the Medi-Cal Contract Drug List</p> <p>http://files.medi-cal.ca.gov/pubsdoco/manual/man_query.asp?wSearch=%28%23filename+dru gscdl%2A%2Edoc+OR+%23filename+drugscdl%2A%2Ezip%29&wFLogo=Contract+Drugs+List&wFLogoH=52&wFLogoW=516&wAlt=Contract+Dru gs+List&wPath=N</p> <p><input type="checkbox"/> (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)</p> <p><input checked="" type="checkbox"/> (h) barbiturates (Except for dual eligible individuals effective January 1, 2013 when used in the treatment of epilepsy, cancer or a chronic mental health disorder as Part D will cover those indications)</p> <p><input checked="" type="checkbox"/> (i) benzodiazepines (Except for dual eligible individuals effective January 1, 2013 as Part D will cover all indications.)</p> <p><input checked="" type="checkbox"/> (j) Medi-Cal will provide coverage of prescription and over-the-counter (OTC) smoking/tobacco cessation covered outpatient drugs for pregnant women as recommended in "Treating Tobacco Use and Dependence -2008 Update: A Clinical Practice Guideline" published by the Public Health Service in May 2008 or any subsequent modification of such guideline. (Except for dual eligible individuals as Part D will cover these drugs.)</p>

TN No. 13-001
Supersedes
TN No. 11-003

Approval Date MAY 10 2013

Effective Date January 1, 2013

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)	<p><input checked="" type="checkbox"/> (f) nonprescription drugs</p> <p>Some - as listed in the Over-The-Counter section of the Medi-Cal Contract Drug List</p> <p>http://files.medi-cal.ca.gov/pubsdoco/manual/man_query.asp?wSearch=%28%23filename+dru gscdl%2A%2Edoc+OR+%23filename+drugscdl%2A%2Ezip%29&wFLogo=Contract+Drugs+List&wFLogoH=52&wFLogoW=516&wAlt=Contract+Dru gs+List&wPath=N</p> <p><input type="checkbox"/> (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)</p> <p><input checked="" type="checkbox"/> (h) barbiturates (Except for dual eligible individuals effective January 1, 2013 when used in the treatment of epilepsy, cancer or a chronic mental health disorder as Part D will cover those indications)</p> <p><input checked="" type="checkbox"/> (i) benzodiazepines (Except for dual eligible individuals effective January 1, 2013 as Part D will cover all indications.)</p> <p><input checked="" type="checkbox"/> (j) Medi-Cal will provide coverage of prescription and over-the counter (OTC) smoking/tobacco cessation covered outpatient drugs for pregnant women as recommended in "Treating Tobacco Use and Dependence -2008 Update: A Clinical Practice Guideline" published by the Public Health Service in May 2008 or any subsequent modification of such guideline. (Except for dual eligible individuals as Part D will cover these drugs.)</p>

TN No. 13-001
Supersedes
TN No. 11-003

Approval Date MAY 10 2013

Effective Date January 1, 2013

ENCLOSURE

Revised Pages for:
CALIFORNIA MEDICAID STATE PLAN
Under Transmittal of
STATE PLAN AMENDMENT (SPA)

13-001*

All new pages will have this SPA* number identified as the new TN No., so it will not be repeated for each new insert pages.

Remove Page(s)	Insert Page (s)
Supplement 2 to Attachment 3.1.A.1. page 3	Supplement 2 to Attachment 3.1.A.1, page 3
Supplement 2 to Attachment 3.1.B.1. page 3	Supplement 2 to Attachment 3.1.B.1, page 3