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State/Territory Name: Washington

State Plan Amendment (SPA)#: WA-23-0019

This file contains the following documents in the order listed

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved SPA Pages

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

Medical Benefits and Health Programs Group

September 27, 2023

Susan Birch, Director
Dr. Charissa Fotinos, Medicaid Director
Health Care Authority
PO Box 45502
Olympia, WA 98504-5010

Dear Susan Birch and Dr. Fotinos,

The CMS Division of Pharmacy has reviewed Washington's State Plan Amendment (SPA) 23-0019 received in the CMS Medicaid & CHIP Operation Group on July 18, 2023. This SPA proposes to update the state's Preferred Drug List if drug shortages occur.

Based on the information provided and consistent with the regulations at 42 CFR 430.20, we are pleased to inform you that SPA 23-0019 is approved with an effective date of July 1, 2023. Our review was limited to the materials necessary to evaluate the SPA under applicable federal laws and regulations.

We are attaching a copy of the signed CMS-179 form, as well as the page approved for incorporation into Washington's state plan. If you have any questions regarding this amendment, please contact Lisa Shochet at (410) 786-5445 or lisa.shochet@cms.hhs.gov.

Sincerely,

Cynthia R. Denemark, R.Ph.
Director
Division of Pharmacy

cc: Ann Myers, Section Manager & State Plan Coordinator, Health Care Authority
Edwin Walaszek, Washington State Lead, Division of Program Operations, CMS

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

2. STATE

3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT

XIX

XXI

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

5. FEDERAL STATUTE/REGULATION CITATION

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY _____ \$ _____

b. FFY _____ \$ _____

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

9. SUBJECT OF AMENDMENT

10. 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: Exempt

11. SIGNATURE OF STATE AGENCY OFFICIAL

Chamie Fott MD, MSc

12. TYPED NAME

13. TITLE

14. DATE SUBMITTED

15. RETURN TO

FOR CMS USE ONLY

16. DATE RECEIVED
July 18, 2023

17. DATE APPROVED
September 27, 2023

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
July 1, 2023

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL
Cynthia R. Denmark, R.Ph.

21. TITLE OF APPROVING OFFICIAL
Director, Division of Pharmacy

22. REMARKS

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State WASHINGTONAMOUNT, DURATION, AND SCOPE OF MEDICAL AND REMEDIAL
CARE AND SERVICES PROVIDED TO THE CATEGORICALLY NEEDY

12. a. Prescribed drugs

Drug Coverage

- (1) Covered outpatient drugs as defined in Section 1927 (k)(2) of the Act are those which are prescribed for a medically accepted indication and produced by any manufacturer, which has entered into and complies with an agreement under Section 1927(a) of the Act.
- (2) Prescriptions written as a result of an EPSDT visit will be approved as ordered by the prescriber when medically necessary.
- (3) The agency makes exceptions to their published Preferred Drug List if drug shortages occur. This would include options for covering a brand name drug product that is a multi-source drug if a generic drug option is not available.
- (4) Drugs excluded from coverage as provided by Section 1927(d) (2) of the Act are designated in Attachment 3.1-A and 3.1-B, pages 32a and 32b of this plan. Experimental drugs are excluded from coverage.

Prior Authorization

- (5) Prescription drugs may be subject to prior authorization by the agency to ensure that drugs are prescribed and dispensed appropriately.
- (6) The agency determines which prescription drugs may require prior authorization by reviewing the drug(s) for the following:
 - Safety
 - Potential for abuse or misuse
 - Narrow therapeutic index
 - High cost when less expensive alternatives are available
- (7) Prior authorization programs for covered outpatient drugs provide for a response within 24 hours of a request for prior authorization and provides for the dispersing of at least a 72-hours supply of medications in emergency situations.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State WASHINGTONAMOUNT, DURATION, AND SCOPE OF SERVICES PROVIDED TO THE
MEDICALLY NEEDY GROUP(S): ALL

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: WASHINGTON

IV. Pharmacy Services

A. General Information:

1. The agency reimburses only for prescription drugs provided by manufacturers that have a signed drug rebate agreement with the Department of Health and Human Services (HHS).

Prescriptions for drugs may be filled and refilled at the discretion of the prescriber. For those drugs specified by the agency, prior approval is required.

2. Payment for drugs purchased in bulk by a public agency is made in accordance with governmental statutes and regulations governing such purchases.
3. Each Medical Assistance client is granted the freedom to choose his or her source of medications, except when the client is covered under a managed care plan that includes the drug benefit.
4. The agency covers prescription drugs when the federal Food and Drug Administration (FDA) has issued an Emergency Use Authorization (EAU) and:
 - The Department of Homeland Security (DHS) Secretary issues a material threat determination;
 - There is a military or potential military emergency;
 - There is a domestic or potential domestic emergency;
 - There is a public health or potential public health emergency; or
 - When medically necessary.