



**STATE OF WASHINGTON
WASHINGTON STATE HEALTH CARE AUTHORITY**

March 30, 2017

NOTICE

Title or Subject: Medicaid State Plan Amendment (SPA) 17-0002 Pharmacy Reimbursement

Effective Date: April 1, 2017

Description: The Health Care Authority (the Agency) intends to submit Medicaid State Plan Amendment (SPA) 17-0002 to comply with changes required under the federal Covered Outpatient Drug Rule (New Federal Rule). See 81 Fed. Reg. 5170-01 (February 1, 2016) (amending 42 C.F.R. Part 447, Subpart I).

The Agency will continue to pay pharmacies both an ingredient cost and a professional dispensing fee (formerly known simply as a dispensing fee). With respect to ingredient costs, the Agency, as allowed by the New Federal Rule, will begin using the National Average Acquisition Drug Cost (NADAC) instead of the average wholesale price as the basis for payment for pharmacy point-of-sale claims. The change will apply for dates of service on and after April 1, 2017. The change applies to fee-for-service claims; the Agency does not mandate the methodology used by Medicaid managed care organizations.

The Agency engaged in rule-making procedures as required by the state's Administrative Procedure Act, RCW 34.05, in adopting regulatory amendments to effectuate the changes. See WSR 16-14-053 (June 29, 2016) and 16-15-087 (July 20, 2016) (Preproposal Statements of Inquiry); WSR 17-02-083 (January 4, 2017 (content of proposed amendments); WSR 17-07-001 (content of final amendments).

The SPA will also be updated to reflect the following Agency rules regarding 340B and contract pharmacies:

- Only the qualified Public Health Service (PHS) entity listed on the exclusion file may bill the Agency for 340B discounted drugs.
- The Agency does not recognize 340B contract pharmacies.

As a result of the change to the NADAC as the basis of payment, the Agency anticipates reimbursement to providers to be reduced, in the aggregate, by less than one-half of one percent (approximately \$1.16M) over a twelve-month period on some fee-for-service point-of-sale claims. Impacts to individual providers will depend on which drugs are dispensed. As allowed under current rules, there are circumstances in which the Agency will consider requests by pharmacies for adjustments to individual claims. See WAC 182-530-7300.

OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED

DATE: March 30, 2017

TIME: 9:43 AM

WSR 17-08-042

SPA 17-0002 is in the development process; therefore a copy is not yet available for review. The Agency would appreciate any input or concerns regarding this SPA. To request a copy when it becomes available, you may contact the agency in your county listed in the table or the person named below. To submit comments, please contact the person named below (please note that all comments are subject to public review and disclosure, as are the names of those who comment).

NOTE: Effective March 20, 2017, official public notice of proposed Medicaid State Plan Amendments (SPAs) is published on the agency's [website](#) at the [Public Notices](#) link. As a convenience, the agency will continue to publish copies of SPA notices in the Washington State Register through June 30, 2017.

CONTACT

Name: Christy Vaughn, Section Manager
Program: Medicaid Rates and PEB Finance
Address: 626 8th Ave SE, Olympia, WA 98501
Phone: 360-725-0468
E-mail address: christy.vaughn@hca.wa.gov

County Contacts

Adams County

Adams County Health Department
108 West Main
Ritzville, WA 99169
Phone (509) 659-3315

Asotin County

Clarkston Home and Community Services Office
525 Fifth Street
Clarkston, WA 99403
Web site <http://www.altcWashington.com>
Phone (509) 751-4672
Alt. Phone 1-800-310-4881
Fax (509) 758-4593

Benton County

Tri-Cities Home and Community Services Office
500 North Morain Street
Suite 2210
Kennewick, WA 99336
Phone (509) 374-2100
Alt. Phone 1-800-310-4833
Fax (509) 374-7559

Chelan County

Chelan Community Services Office
805 South Mission Street
Wenatchee, WA 98801
Phone (509) 667-6000

Clallam County

Port Angeles Home and Community Services Office
235 West 1st Street
Port Angeles, WA 98362
Phone (360) 565-2160
Alt. Phone 1-800-280-9891
TTY (360) 417-5651
Fax (360) 417-1416

Clark County

Vancouver Home and Community Services Office
800 N.E. 136th Avenue
Suite 220
Vancouver, WA 98684
Phone (360) 397-9500
Alt. Phone 1-800-280-0586
TTY (360) 750-4079
Fax (360) 992-7949

Columbia County

Aging and Disability Resource Center
410 East Main
Dayton, WA 99328

Web site <http://www.altc.washington.com/>
Phone (509) 382-4787

Cowlitz County

Kelso Home and Community Services Office
711 Vine Street
Kelso, WA 98626
Phone (360) 501-2500
Alt. Phone 1-800-605-7322
TTY (360) 577-7591
Fax (360) 578-4106

Douglas County

Wenatchee Home and Community Services Office
50 Simon Street S.E.
Suite B
East Wenatchee, WA 98802
Phone (509) 886-6140
Alt. Phone 1-800-670-8874
Fax (509) 886-6221

Ferry County

Republic Home and Community Services Office
89 East Delaware
Republic, WA 99166
Phone (509) 775-2227
Alt. Phone 1-888-437-0516
TTY (509) 775-2661
Fax (509) 775-2401

Franklin County

Franklin County Commissioners Office
1016 North 4th Avenue
Pasco, WA 99301
Phone (509) 545-3535

Garfield County

Garfield County District Court
789 West Main Street
P.O. Box 817 or 819
Pomeroy, WA 99347
Phone (509) 843-1002

Grant County

Moses Lake Home and Community Services Office
1651 South Pilgrim Street
Moses Lake, WA 98837
Phone (509) 764-5657
Alt. Phone 1-800-671-8902
TTY 1-800-833-6388
Fax (509) 764-5656

Grays Harbor County

Aberdeen Home and Community Services Office
415 West Wishkah Street
Suite A2
Aberdeen, WA 98520
Phone (360) 533-9222
Alt. Phone 1-800-487-0119
TTY (360) 533-9730
Fax (360) 533-9782

Island County

Oak Harbor Home and Community Services Office
900 East College Way
Suite 210
Mt. Vernon, WA 98273
Phone (360) 429-2961
Alt. Phone 1-866-608-0836
Fax (360) 429-2958

Jefferson County

Port Townsend Home and Community Services Office
915 Sheridan Street
Suite 201
Port Townsend, WA 98368
Phone (360) 379-4326
Alt. Phone 1-800-280-9991
Fax (360) 344-4600

King County

King County Home and Community Services Office
1737 Airport Way South
Suite 130
P.O. Box 24847
Seattle, WA 98134
Phone (206) 341-7750
Alt. Phone 1-800-346-9257
TTY 1-800-833-6384

Kitsap County

Bremerton Home and Community Services Office
4710 Auto Center Boulevard
Bremerton, WA 98312
Phone (360) 473-2299
Alt. Phone 1-800-422-7114
TTY (360) 478-4928
Fax (360) 478-6467

Kittitas County

Ellensburg Home and Community Services Office
100 East Jackson Avenue
Suite 100
Ellensburg, WA 98926
Phone (509) 925-0433
Alt. Phone 1-800-310-4999

Fax (509) 962-7755

Klickitat County

White Salmon Home and Community Services Office
221 North Main Street
White Salmon, WA 98672
Phone (509) 493-6157
Alt. Phone 1-800-504-1180

Lewis County

Chehalis Home and Community Services Office
3451 Galvin Road
Centralia, WA 98531
Phone (360) 807-7150
Alt. Phone 1-800-487-0360
Fax (360) 330-7552

Lincoln County

Lincoln County Health Department
90 Nicholls Street
Davenport, WA 99122
Phone (509) 725-1001

Mason County

Shelton Home and Community Services Office
2505 Olympic Highway North
Suite 440
Shelton, WA 98584
Phone (360) 664-9050
Alt. Phone 1-800-462-4957
Fax (360) 432-2045

Okanogan County

Omak Home and Community Services Office
130 South Main
Omak, WA 98841
Phone (509) 846-2103
Alt. Phone 1-888-437-0529
TTY (509) 826-7389
Fax (509) 826-7439

Pacific County

South Bend Home and Community Services Office
307 East Robert Bush Drive
P.O. Box 87
South Bend, WA 98586
Phone (360) 875-4222
Alt. Phone 1-800-458-3747
Fax (360) 875-0590

Pend Oreille County

Newport Home and Community Services Office
1600 West First Avenue

Newport, WA 99156
Phone (509) 447-6223
Alt. Phone 1-888-437-0516
Fax (509) 447-5256

Pierce County

Tacoma Home and Community Services Office
1949 South State Street
Tacoma, WA 98405
Phone (253) 476-7200
Alt. Phone 1-800-442-5129
TTY (253) 593-5471
Fax (253) 597-4161

San Juan County

San Juan County Health Services
145 Rhone Street
Friday Harbor, WA 98250
Phone (360) 378-4474
Fax (360) 378-7036

Skagit County

Mount Vernon Home and Community Services Office
900 East College Way
Suite 210
Mt. Vernon, WA 98273
Phone (360) 429-2961
Alt. Phone 1-866-608-0836
Fax (360) 416-7401

Skamania County

Stevenson Home and Community Services Office
266 S.W. Second Street
P.O. Box 817
Stevenson, WA 98648
Phone (509) 427-5611
Alt. Phone 1-800-505-4203
Fax (509) 427-4604

Snohomish County

Smokey Point Home and Community Services Office
3906 172nd Street N.E.
Suite 101
Arlington, WA 98223
Phone (360) 651-6800
Alt. Phone 1-800-827-2984
Fax (360) 651-6832

Spokane County

Spokane Home and Community Services Office
1330 North Washington Street
Suite 3000
Spokane, WA 99201

Phone (509) 568-3700
Alt. Phone 1-800-459-0421
TTY (509) 568-3697
Fax (509) 568-3771

Stevens County

Colville Home and Community Services Office
1100 South Main
Colville, WA 99114
Phone (509) 685-5644
Alt. Phone 1-800-437-0516
Fax (509) 684-7430

Thurston County

Tumwater Home and Community Services Office
6639 Capitol Boulevard S.W.
Tumwater, WA 98512
Phone (360) 664-9050
Alt. Phone 1-800-462-4957
TTY (360) 407-1678
Fax (360) 664-9107

Wahkiakum County

Health and Human Services
42 Elochoman Valley Road
Cathlamet, WA 98612
Phone (360) 795-8630
Alt. Phone 1-800-635-5989

Walla Walla County

Walla Walla Home and Community Services Office
206 West Poplar
Walla Walla, WA 99362
Phone (509) 524-4960
Alt. Phone 1-800-310-5678
Fax (509) 527-4142

Whatcom County

Bellingham Home and Community Services Office
600 Lakeway Drive
Bellingham, WA 98225
Phone (360) 756-5750
Alt. Phone 1-800-239-8292
Fax (360) 676-2239

Whitman County

Colfax Home and Community Services Office
418 South Main Street
Suite 3
Colfax, WA 99111
Phone (509) 397-5091
Alt. Phone 1-800-459-0421
Fax (509) 397-4323

Yakima County

Yakima Home and Community Services Office

1002 North 16th Avenue

Yakima, WA 98902

Phone (509) 225-4400

Alt. Phone 1-800-822-2097

Fax (509) 575-2286