

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Atlanta Regional Office
61 Forsyth Street, Suite 4T20
Atlanta, Georgia 30303



DIVISION OF MEDICAID & CHILDREN'S HEALTH OPERATIONS

CENTERS FOR MEDICARE & MEDICAID SERVICES

RECEIVED

February 8, 2013

FEB 14 2013

Mr. Anthony E. Keck, Director
South Carolina Department of Health and Human Services
Post Office Box 8206
Columbia, South Carolina 29202-8206

Department of Health & Human Services
OFFICE OF THE DIRECTOR

Re: South Carolina Title XIX State Plan Amendment, Transmittal #12-020

Dear Mr. Keck:

This is to affirm approval of the above referenced State Plan Amendment which was submitted to the Regional Office on December 28, 2012. The State's requested effective date of January 1, 2013 has been accepted.

Enclosed for your records are:

1. a copy of the approval letter dated February 7, 2013 that was submitted to the State by Larry Reed, Director, Division of Pharmacy;
2. the original signed 179; and
3. the approved plan page.

If you have any additional questions regarding this amendment, please contact Maria Drake, State Coordinator for South Carolina, at 404-562-3697.

Sincerely,

A handwritten signature in black ink that reads "Jackie Glaze". The signature is written in a cursive, flowing style.

Jackie Glaze
Associate Regional Administrator
Division of Medicaid & Children's Health Operations

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

1. TRANSMITTAL NUMBER:
SC 12-020

2. STATE
South Carolina

FOR: HEALTH CARE FINANCING ADMINISTRATION

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
January 1, 2013

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:
Section 1935 (d)(2) of the Social Security Act
(2) COVERAGE OF CERTAIN EXCLUDABLE DRUGS

7. FEDERAL BUDGET IMPACT:

a. FFY 2012 (\$ 399,006)
b. FFY 2013 (\$ 585,209)

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 3.1.A.1, page 3

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION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

Attachment 3.1.A.1, page 3

10. SUBJECT OF AMENDMENT:

Effective January 1, 2013, to exclude Medicaid coverage of barbiturates used in the treatment of epilepsy, cancer, or a chronic mental health disorder and benzodiazepines for full-benefit dual eligible individuals who will be entitled to receive Medicare benefits under Medicare Part D drug coverage plans at that time.

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:
Mr. Keck was designated by the Governor
to review and approve all State Plans

12. SIGNATURE OF STATE AGENCY OFFICIAL:



13. TYPED NAME:

Anthony E. Keck

14. TITLE:

Director

15. DATE SUBMITTED:

December 20, 2012

16. RETURN TO:

South Carolina Department of Health and Human Services
Post Office Box 8206
Columbia, SC 29202-8206

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

12-28-12

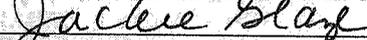
18. DATE APPROVED: 02-07-13

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

01/01/13

20. SIGNATURE OF REGIONAL OFFICIAL:



21. TYPED NAME:

Jackie Glaze

22. TITLE: Associate Regional Administrator
Division of Medicaid & Children Health Opns

23. REMARKS:

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State Agency South Carolina Department of Health and Human Services

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)	<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)
	<input checked="" type="checkbox"/> (h) barbiturates (see specific drug categories below) (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)
	<input checked="" type="checkbox"/> (i) benzodiazepines (see specific drug categories below) (Except for dual eligible individuals effective January 1, 2013 as Part D will cover all indications)
	<input checked="" type="checkbox"/> (j) smoking cessation, except dual eligibles as Part D will cover (see specific drug categories below)
	(The Medicaid agency lists specific category of drugs below)
	(a) South Carolina Medicaid will only cover lipase inhibitors
	(e) All categories of rebateable vitamins and mineral products, including prenatal vitamins and fluoride
	(f) Over the counter (OTC) drugs that are in the Medicaid drug rebate program and correspond to the covered legend drugs in (e) and (j)
	(h) All categories of rebateable barbiturates.
	(i) All categories of rebateable benzodiazepines.
	(j) All categories of rebateable smoking cessation products
	<input type="checkbox"/> No excluded drugs are covered.

TN No. SC 12-020
Supersedes
TN No. SC 09-009

Approval Date: 02-07-13

Effective Date: 01/01/13

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



Disabled & Elderly Health Programs Group

February 7, 2013

Anthony E. Keck
Director
South Carolina Department of Health and Human Services
P.O. Box 8206
Columbia, South Carolina 29202-8206

Dear Mr. Keck:

We have reviewed South Carolina State Plan Amendment (SPA) 12-020 received in the Atlanta Regional Office on December 28, 2012. Under this SPA, the state proposes changes in pharmacy coverage as required by Section 175 of the Medicare Improvement for Patients and Providers Act of 2008 which amended section 1860D-2(e)(2)(A) of the Act to include barbiturates "used in the treatment of epilepsy, cancer, or a chronic mental health disorder" and benzodiazepines in Part D drug coverage effective as of January 1, 2013.

We are pleased to inform you that South Carolina SPA 12-020 is approved, effective January 1, 2013. The Atlanta Regional Office will forward to you a copy of the CMS-179 form, as well as the pages approved for incorporation into the South Carolina Medicaid State Plan. If you have any questions regarding this amendment, please contact Bernadette Leeds at (410) 786-9463.

Sincerely,

/s/

Larry Reed
Director
Division of Pharmacy

cc: Jackie Glaze, ARA, Atlanta Regional Office
Maria Drake, Atlanta Regional Office
Elizabeth Hutto, South Carolina Department of Health and Human Services
Valeria Williams, South Carolina Department of Health and Human Services