

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

November 27, 2017

Mr. Joshua Baker, Interim Director
South Carolina Department of Health and Human Services
Post Office Box 8206
Columbia, South Carolina 29202-8206

RECEIVED

NOV 30 2017

Department of Health & Human Services
OFFICE OF THE DIRECTOR

Re: South Carolina Title XIX State Plan Amendment, Transmittal SC-17-0008

Attention: Sheila Chavis

Dear Mr. Baker:

This is to affirm approval of the above referenced State Plan Amendment which was submitted to the Regional Office on September 29, 2017. The State's requested effective date of July 1, 2017 has been accepted.

Enclosed for your records are:

1. a copy of the approval letter dated November 22, 2017 that was submitted to the State by Meagan T. Khau, Deputy Director, Division of Pharmacy;
2. the original signed 179; and
3. the approved plan pages.

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 "Shantrina Roberts".

Shantrina Roberts
Acting Associate Regional Administrator
Division of Medicaid & Children's Health Operations

Enclosure(s)

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

1. TRANSMITTAL NUMBER:
17-0008

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
July 1, 2017

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:
Social Security Act, Section 1927

7. FEDERAL BUDGET IMPACT:
a. FFY 2017 \$133,700
b. FFY 2018 \$573,000

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 3.1-A Limitation Supplement, page 5b

***Attachment 3.1-A Limitation Supplement, page 5c is being deleted
from the State Plan because of language deletion/Shift***

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION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

Attachment 3.1-A Limitation Supplement, page 5b

10. SUBJECT OF AMENDMENT: This plan amendment will eliminate the monthly prescription limit.

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:
Ms. Singleton was designated by the Governor
to review and approve all State Plans

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:

Deirdra T. Singleton

14. TITLE:

Acting Director

15. DATE SUBMITTED:

September 27, 2017

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: 09/29/17

18. DATE APPROVED: 11/22/17

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:
07/01/17

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME: Shantrina Roberts

22. TITLE: Acting Associate Regional Administrator
Division of Medicaid & Children's Health Operations

23. REMARKS:

12.a PHARMACY SERVICES. The pharmacy benefit provides certain prescription and over-the-counter (OTC) medications to eligible Medicaid recipients. Medications covered through the pharmacy benefit are limited to covered outpatient drugs, as defined in Section 1927 of the Act, that are prescribed for a medically necessary indication by a healthcare provider who is authorized to prescribe medications by the respective South Carolina licensing board. The operation of the pharmacy benefit shall comply with the requirements of Section 1927 of the Act.

Only medications marketed by manufacturers that have entered into a rebate agreement, as described in Section 1927 (a) of the Act, are covered as part of the pharmacy benefit.

Prescription/refill quantities for all Medicaid eligibles, regardless of age, are generally limited to a maximum thirty-one (31) day supply per fill.

The state is in compliance with Section 1927 of the Social Security Act. Based on the requirements in Section 1927 of the Act, the state has the following policies for the supplemental rebate program for the Medicaid population:

(A) CMS has authorized the State of South Carolina to enter into the Michigan multi-state pooling agreement (MMSPA) also referred to as the National Medicaid Pooling Initiative (NMPI). The Amendment to the Supplemental Drug Rebate Agreement was submitted to the Center for Medicare and Medicaid Services (CMS) on October 1, 2013 and approved for existing agreements with the pharmaceutical manufacturers.

CMS authorized the Supplemental Drug-Rebate Agreement submitted to CMS on January 12, 2007 for renewal and new agreements with pharmaceutical manufacturers.

(B) Supplemental rebates received by the State in excess of those required under the national drug rebate agreement will be shared with the Federal government on the same percentage basis as applied under the national rebate agreement.

(C) All drugs covered by the program, irrespective of a prior authorization requirement, will comply with provisions of the national drug rebate agreement.

(D) Any contracts or agreements with pharmaceutical manufacturers not approved by CMS will be submitted for CMS approval.

SC: 17-0008
EFFECTIVE DATE: 07/01/17
RO APPROVAL: 11/22/17
SUPERSEDES: SC 08-022