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State/Territory Name: New York

State Plan Amendment (SPA)#: 22-0083

This file contains the following documents in the order listed below:

- 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
Disabled and Elderly Health Programs Group

September 14, 2022

Amir Bassiri, Acting State Medicaid Director
New York State Department of Health
Division of Finance and Rate Setting
99 Washington Ave-One Commerce Plaza
Suite 1432
Albany, NY 12210

Dear Amir Bassiri:

The CMS Division of Pharmacy team has reviewed New York's State Plan Amendment (SPA) 22-0083 received in the CMS Division of Program Operations on June 30, 2022. This SPA proposes to amend the State Plan to increase the professional dispensing fee paid to pharmacies by 1% from \$10.08 to \$10.18.

Based on the information provided and consistent with the regulations at 42 CFR 430.20, we are pleased to inform you that NY-22-0083 is approved with an effective date of April 1, 2022.

If you have any questions regarding this request, please contact Whitney Swears at 410-786-6543 or Whitney.Swears@cms.hhs.gov.

Sincerely,



John M. Coster, Ph.D., R.Ph.
Director, Division of Pharmacy
DEHPG/CMCS/CMS

cc: Kimberly Leonard, New York State Department of Health
Michelle Levesque, New York State Department of Health
Bonny DeCastro, New York State Department of Health
Frankeena McGuire, CMS

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

1. TRANSMITTAL NUMBER

2 2 — 0 0 8 3

2. STATE

N Y

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

April 1, 2022

5. FEDERAL STATUTE/REGULATION CITATION

§ 1902(a) of the Social Security Act and 42 CFR 447

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 04/01/22-09/30/22 \$ 224,733
b. FFY 10/01/22-09/30/23 \$ 1,348,400

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-B: Page 4(d)

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

Attachment 4.19-B: Page 4(d)

9. SUBJECT OF AMENDMENT

1% Pharmacy Dispensing Fee

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:

11. SIGNATURE OF STATE AGENCY OFFICIAL

12. TYPED NAME

Amir Bassiri

13. TITLE

Acting Medicaid Director

14. DATE SUBMITTED

June 30, 2022

15. RETURN TO

New York State Department of Health
Division of Finance and Rate Setting
99 Washington Ave – One Commerce Plaza
Suite 1432
Albany, NY 12210

FOR CMS USE ONLY

16. DATE RECEIVED

June 30, 2022

17. DATE APPROVED

September 14, 2022

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL

April 1, 2022

20. TYPED NAME OF APPROVING OFFICIAL

John Coster

21. TITLE OF APPROVING OFFICIAL

Director, Division of Pharmacy

22. REMARKS

New York
4(d)

1905(a)(12) Prescribed Drugs, Dentures, and Prosthetic Devices; and Eyeglasses
Outpatient Drug Reimbursement

1. Reimbursement for Prescribed Drugs (including specialty drugs) dispensed by a retail pharmacy; an institutional or long term care pharmacy; an Indian Health Service, tribal or urban Indian pharmacy; or any other pharmacy enrolled in the NYS Medicaid FFS Program is as follows:
 - a. Reimbursement for Brand Name Drugs is the lower of:
 - i. National Average Drug Acquisition Cost (NADAC) or, in the event of no NADAC pricing available, Wholesale Acquisition Cost (WAC) less 3.3%; plus, the professional dispensing fee in Section 2; or
 - ii. the billing pharmacy's usual and customary price charged to the general public.
 - b. Reimbursement for Generic Drugs is the lower of:
 - i. NADAC or, in the event of no NADAC pricing available, WAC less 17.5%; plus, a professional dispensing fee; or
 - ii. the Federal Upper Limit (FUL) plus the professional dispensing fee in Section 2; or
 - iii. the State Maximum Acquisition Cost (SMAC) plus the professional dispensing fee in Section 2; or
 - iv. the billing pharmacy's usual and customary price charged to the general public.
 - c. Reimbursement for Nonprescription Drugs is the lower of:
 - i. NADAC or, in the event of no NADAC pricing available, WAC; plus, if a covered outpatient drug, the professional dispensing fee in Section 2;
 - ii. the FUL plus, if a covered outpatient drug, the professional dispensing fee in Section 2; or
 - iii. the SMAC plus, if a covered outpatient drug, the professional dispensing fee in Section 2; or
 - iv. the billing pharmacy's usual and customary price charged to the general public.
2. The professional dispensing fee for covered outpatient drugs, including 340B-purchased drugs, when dispensed by a retail pharmacy; an institutional or long term care pharmacy; an Indian Health Service, tribal or urban Indian pharmacy; or any other pharmacy enrolled in the NYS Medicaid FFS Program, is \$10.18.
3. Payment for drugs dispensed by pharmacies that are acquired at a nominal price as referenced in 42 CFR § 447.502 is at actual acquisition cost plus the professional dispensing fee in Section 2.
4. Payment for drugs dispensed by pharmacies that are acquired via the Federal Supply Schedule is at actual acquisition cost plus the professional dispensing fee in Section 2.

TN #22-0083 Approval Date September 14, 2022 Supersedes TN #18-0022 Effective Date April 1, 2022