

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop C2-21-15
Baltimore, Maryland 21244-1850



Center for Medicaid and State Operations

JUN 27 2003

Peter Walsh
Acting Commissioner
Department of Human Services
#11 State House Station
442 Civic Center Drive
Augusta, ME 0433-0011


Dear Mr. Walsh:

We have reviewed Maine State Plan Amendment (SPA) 03-001. The amendment authorizes a new manufacturer supplemental rebate agreement (SRA). The SPA indicates that drugs covered by the federal rebate agreement may be placed under a prior authorization process if the state and the manufacturer do not agree to a SRA. The SPA also indicates that federally covered drugs that are covered by a SRA shall be listed on the State's Preferred Drug List (PDL). We have determined that the SPA, prior authorization program and SRA are consistent with the objectives of the Medicaid program. Both the prior authorization program and SRA are designed to increase the efficiency and economy of Medicaid operations and benefit the Medicaid population. We have examined the information provided and found that the amendment is acceptable.

Please note that the approval of SPA 03-001 extends only to the model SRA that was submitted to CMS on March 30, 2003, amended and authorized on June 16, 2003 and which is specifically referenced in the SPA. If significant changes are subsequently made to that model drug rebate agreement, a new SPA and the revised agreement should be submitted to CMS for review and approval.

If you should have any further questions or require additional information, please contact Carl Tepper at (410) 786-2137 or email at ctepper@cms.hhs.gov.

Sincerely,


Deirdre Duzor, Co-Leader
Pharmacy Team

attachments

cc: Eugene Gessow
Jude Welsh
Chong Tieng