State Profiles for States with Approved OBA State Plan Amendments

A CAMPAIGN FOR Transformative Therapies

GLOSSARY OF TERMS

ACA	Affordable Care Act	
DUR	Drug Utilization Review Board	
FFS/MCO	State hybrid Medicaid model that utilizes both traditional fee-for-service (FFS) and managed care organizations (MCOs)	
FFS	Fee-for-service	
MCO	Managed care organization	
P&T Committee	Pharmacy & Therapeutics Committee	
PBM	Pharmacy Benefit Manager	
Pharmacy Benefit	**Carve in**	Some states carve the benefit into managed care
	Carve out	A few states completely carve out the benefit from managed care and handle all drug pricing within the state Medicaid program
	Hybrid $$$ Rx	Some states take a hybrid approach and only carve out the most expensive or specialty drugs but leave the majority of drugs carved into managed care
PDL	Preferred drug list; a list of outpatient drugs that states encourage prescribers to prescribe over others	
UPDL	Uniform preferred drug list; states that use MCOs to administer pharmacy benefits may use a uniform preferred drug list that requires all MCOs to cover the same drugs as FFS	
Rx	Prescription drug	

DISEASE POPULATION ESTIMATES BASED ON:

- **CYSTIC FIBROSIS:** Cystic Fibrosis Foundation; 2021 Cystic Fibrosis Foundation Patient Registry Highlights Report; https://www.cff.org/media/26631/download
- **DIABETES:** American Diabetes Association State Fact Sheets; https://diabetes.org/about-us/statistics/by-state
- **HEMOPHILIA:** CDC; https://communitycountsdataviz.cdc.gov/blooddisorders/#!/
- **ACUTE HEPATITIS C:** CDC 2019 data based on reported cases; https://www.cdc.gov/hepatitis/statistics/2020surveillance/hepatitis-c/figure-3.3.htm
- **SICKLE CELL DISEASE:** Sick Cells State Map; https://sickcells.org/advocacy-tools/
- **SPINAL MUSCULAR ATROPHY (SMA):** Cure SMA State Fact Sheets; https://www.curesma.org/advocacy/#state-fact-sheets

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ALABAMA

Alabama remains one of 11 states that have not expanded its Medicaid program under the ACA. In 2013, Alabama received CMS approval to operate Medicaid under a Regional Care Organization (RCO) managed care model, but that effort was abandoned with a change in administration. The state operates several managed care programs for long-term care and pregnant women.

Quick Medicaid Facts

- ***901,834*** *Medicaid Beneficiaries (12/2023)*
- ***FFS Model***
- ***73%*** ***Federally Funded***
- ***Non-Expansion State***
- ***Annual*** *Budget Cycle*
- ***N/A – No MCOs*** *$$$ Rx Management*

Prescription Drug Management

In Alabama, gross spending for drug expenditures before manufacturer rebates in FY2022 totaled $1 billion, up from $864 million in FY2021, a 16 percent increase.

Alabama uses a P&T Committee to advise on Medicaid prescription drug coverage. Specifically, the P&T Committee is responsible for advising on new PDL drugs, while the Medicaid agency assumes leadership on establishing step therapy and prior authorization criteria, and for orphan/expedited review drugs. Reviews for new PDL drugs occur on a quarterly basis while reviews for step therapy and prior authorization review are conducted on an "as needed" basis.

Under current supplementary rebate programs, the Medicaid agency is the primary negotiator.

- PDL for FFS Rx
- N/A No MCOs – PDL for MCO Rx
- Rx Limits – 5 Rx per month (adults) w/ drug class exclusions
- N/A – No MCO
- Generics Promoting Policies in Place

Rx VBP Overview	
SPA #	AL-19-0009 ; AL-20-0021 (amendment)
Date of Approval	CMS Approval on Dec. 20, 2019; Dec. 17, 2020
Proposed Model	Supplemental Rebate Agreement

DISEASE POPULATION IN THE STATE (estimates)

- **Cystic Fibrosis** — ***455***
- **Diabetes** — ***593,500***
- **Hemophilia** — ***100-299***
- **Acute Hepatitis C** — ***110***
- **Sickle Cell Disease** — ***2,851***
- **Spinal Muscular Atrophy** — ***183****

**Estimated number of individuals living with SMA*

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ARIZONA

Arizona operates its Medicaid program through the Arizona Health Care Cost Containment System (AHCCCS), a mandatory managed care program that contracts with several MCOs statewide to provide coverage of acute, primary, and specialty care services. Behavioral health services are "carved out" and operated through sub-contracts with the Regional Behavioral Health Authorities (RBHAs), a collection of community-based organizations.

Quick Medicaid Facts

- ***1.9 Million*** *Medicaid Beneficiaries (12/2023)*
- ***FFS/MCO***
- ***65%*** ***Federally Funded***
- ***Expansion State*** *January 2014*
- ***Annual*** *Budget Cycle*
- ***Hybrid*** *$$$ Rx Management*

Prescription Drug Management

In Arizona, gross spending for drug expenditures before manufacturer rebates in FY2022 totaled $1.8 billion, up from $1.6 billion in FY2021, a 12 percent increase. FFS and MCO spending accounted for $29 million and $1.8 billion, respectively.

Arizona uses a P&T Committee to advise on Medicaid prescription drug coverage. The P&T Committee is responsible for reviewing new PDL drugs, step therapy criteria, and orphan/ expedited review drugs. Reviews for both new PDL drugs and step therapy criteria occur on an annual basis while reviews for prior authorization criteria are conducted on an "as needed" basis.

- PDL for FFS Rx
- UPDL for MCO Rx – some classes
- No FFS Rx Limits
- Carves In Rx Benefit
- Carves Out Certain Drug Classes
- Generics Promoting Policies in Place

Rx VBP Overview	
SPA #	AZ-19-0004
Date of Approval	CMS Approval on April 28, 2020
Proposed Model	Supplemental Rebate Agreement

DISEASE POPULATION IN THE STATE (estimates)

Cystic Fibrosis	Diabetes	Hemophilia	Acute Hepatitis C	Sickle Cell Disease	Spinal Muscular Atrophy
591	615,200	300-499	N/A	635	245*

*Estimated number of individuals living with SMA

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ARKANSAS

Arkansas expanded Medicaid in January 2014. The Division of Medical Services operates the state Medicaid program under the direction of the Department of Human Services (DSH) through multiple programs, including traditional Medicaid and more specific programs for those with disabilities or certain health conditions. Arkansas contracts with a few MCOs to provide comprehensive services for those with complex behavioral health, developmental, or intellectual disabilities, which includes a pharmacy benefit that follows the same requirements for coverage and administration as the FFS program.

Quick Medicaid Facts

- ***735,474*** *Medicaid Beneficiaries (12/2023)*
- ***FFS/MCO***
- ***71%*** ***Federally Funded***
- ***Expansion State*** *January 2014*
- ***Biennial*** *Budget Cycle*
- ***Carve In*** *$$$ Rx Management*

Prescription Drug Management

In Arkansas, gross spending for drug expenditures before manufacturer rebates in FY2022 totaled $473 million, up from $404 million in FY2021, a 17 percent increase. FFS and MCO spending accounted for $381 million and $92 million, respectively.

The Arkansas Medicaid Drug Utilization Review (DUR) board is responsible for making clinical recommendations to the Arkansas Medicaid Pharmacy Program regarding the use of restrictions including prior authorization and re-authorization criteria on prescription drugs covered by Medicaid.

Under the supplementary rebate program, a competitively procured purchasing pool is responsible for negotiations.

- PDL for FFS Rx
- No UPDL for MCO Rx
- Rx Limits – 6 Rx per month (adults) w/ drug class exclusions
- Carves in Rx Benefit
- Generics Promoting Policies in Place

Rx VBP Overview	
SPA #	AR-22-0006
Date of Approval	CMS Approval on June 28, 2022
Proposed Model	Supplemental Rebate Agreement

DISEASE POPULATION IN THE STATE (estimates)

Cystic Fibrosis	Diabetes	Hemophilia	Acute Hepatitis C	Sickle Cell Disease	Spinal Muscular Atrophy
301	290,000	100-299	44	1,266	112*

*Estimated number of individuals living with SMA

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COLORADO

Colorado's Medicaid is operated through its Health First Colorado. Colorado operates a primary care case management (PCCM) program that contracts with Regional Care Collaborative Organizations (RCCOs) to provide coverage for acute, physical, and specialty care as well as pharmacy and select behavioral health services. Health First Colorado contracts with two MCOs, one of which is affiliated with UnitedHealth Group. On March 22, 2022, Colorado entered into a VBP contract agreement with Novartis for the drug Zolgensma.

Quick Medicaid Facts

- **1.3 Million** *Medicaid Beneficiaries (12/2023)*
- **FFS/MCO**
- **50%** **Federally Funded**
- **Expansion State** *January 2014*
- **Annual** *Budget Cycle*
- **Hybrid** *$$$ Rx Management*

Prescription Drug Management

In Colorado, gross spending for drug expenditures before manufacturer rebates in FY2022 totaled $1.4 billion, up from $1.2 billion in FY2021, a 17 percent increase. FFS and MCO spending accounted for $1.3 billion and $51 million, respectively.

Colorado uses a P&T Committee and a DUR Board to advise on Medicaid prescription drug coverage. The P&T Committee is responsible for reviewing new preferred drug list (PDL) drugs, while the DUR Board manages review of step therapy and prior authorization criteria, and orphan/expedited review drugs. Reviews for PDL drug classes are conducted annually, while step therapy and prior authorization criteria reviews vary.

The state established a Prescription Drug Affordability Board tasked with reviewing and setting price limits on prescription medications in June of 2022.

Under current supplementary rebate programs, pharmacy benefit managers (PBMs) are responsible for negotiating supplemental rebates.

- PDL for FFS Rx
- Not Reported -- UPDL for MCO Rx
- No FFS Rx Limits
- Carves In Rx Benefit
- Carves Out Certain Drug Classes
- Generics Promoting Policies in Place

Rx VBP Overview	
SPA #	CO-18-0044
Date of Approval	CMS Approval on Dec. 20, 2019
Proposed Model	Supplemental Rebate Agreement

DISEASE POPULATION IN THE STATE (estimates)

Cystic Fibrosis	Diabetes	Hemophilia	Acute Hepatitis C	Sickle Cell Disease	Spinal Muscular Atrophy
713	322,900	300-499	3	371	196*

*Estimated number of individuals living with SMA

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DELAWARE

Delaware's Medicaid program is operated through the Delaware Division of Medicaid & Medical Assistance. Delaware Medicaid contracts with three MCOs – AmeriHealth Caritas, Delaware First Health, and Highmark Health Options – through which Medicaid benefits are mainly provided and known as the Diamond State Health Plan. In 2022, over 85% of the state's Medicaid beneficiaries were enrolled in an MCO. Delaware uses a unified PDL between the FFS and MCO programs to ensure consistency for providers and members.

Quick Medicaid Facts

- **278,802** *Medicaid Beneficiaries (12/2023)*
- ***FFS/MCO***
- **60%** ***Federally Funded***
- ***Expansion State*** *January 2014*
- ***Annual*** *Budget Cycle*
- ***Carve In*** *$$$ Rx Management*

Prescription Drug Management

In Delaware, gross spending for drug expenditures before manufacturer rebates in FY2022 totaled $296 million, down from $314 million in FY2021, a 6 percent decrease. FFS and MCO spending accounted for $1.6 million and $295 million, respectively.

Delaware uses a P&T Committee and a DUR Board to advise on Medicaid prescription drug coverage. In recent years, both boards have held their meetings in conjunction as one cohesive board. The P&T Committee is responsible for reviewing new preferred drug list (PDL) drugs, while the DUR Board reviews predetermined standards by Medicaid, as well as reviews the PDL and makes recommendations regarding product status.

Under current supplementary rebate programs, pharmacy benefit managers (PBMs) are responsible for negotiating supplemental rebates.

- PDL for FFS Rx
- MCO Rx UPDL
- No FFS Rx Limits
- Carves In Rx Benefit
- Generics Promoting Policies in Place

Rx VBP Overview	
SPA #	DE-23-0007
Date of Approval	CMS Approval on Jan. 4, 2024
Proposed Model	Supplemental Rebate Agreement

DISEASE POPULATION IN THE STATE (estimates)

Cystic Fibrosis	Diabetes	Hemophilia	Acute Hepatitis C	Sickle Cell Disease	Spinal Muscular Atrophy
90	95,100	6-99	58	561	33*

*Estimated number of individuals living with SMA

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GEORGIA

Medical Assistance Plans, the largest division within the Georgia Department of Community Health (DCH), administers the Medicaid and PeachCare for Kids programs. Both programs include fee-for-service and managed care components, which in Georgia are known as Care Management Organizations (CMO). The state contracts with three CMOs and while the pharmacy benefit is carved into the program, the state does not set specific requirements for the CMOs to follow.

Quick Medicaid Facts

- **1.8 Million** *Medicaid Beneficiaries (12/2023)*
- **FFS/MCO**
- **66%** **Federally Funded**
- **Non Expansion State**
- **Biennial** *Budget Cycle*
- **Carve In** *$$$ Rx Management*

Prescription Drug Management

In Georgia, gross spending for drug expenditures before manufacturer rebates in FY2022 totaled $1.4 billion, up from $1.3 billion in FY2021, an 8 percent increase. FFS and MCO spending accounted for $869 million and $511 million, respectively.

Georgia uses a DUR Board to advise on Medicaid prescription drug coverage. The DUR Board advises DCH about products considered to be the most clinically effective and reviews drug therapy, drug studies, and utilization information.

Under current supplementary rebate programs, pharmacy benefit managers (PBMs) are responsible for negotiating supplemental rebates.

- PDL for FFS Rx
- No UPDL for MCO Rx
- No FFS Rx Limits
- Carves In Rx Benefit
- Generics Promoting Policies in Place

Rx VBP Overview	
SPA #	GA-23-0011
Date of Approval	CMS Approval on March 13, 2024
Proposed Model	Supplemental Rebate Agreement

DISEASE POPULATION IN THE STATE (estimates)

Cystic Fibrosis	Diabetes	Hemophilia	Acute Hepatitis C	Sickle Cell Disease	Spinal Muscular Atrophy
905	1,024,100	>1,000	114	5,797	389*

*Estimated number of individuals living with SMA

SPA VBP Approved

ILLINOIS

Medicaid in Illinois is administered by the Illinois Department of Health Care and Family Services. Within Medicaid, Illinois offers various coverage group programs for different populations, including All Kids, Family Care, ACA Adults, and Moms & Babies as well as other more specific need-based groups. Medicaid in Illinois also has a Managed Care program known as HealthChoice Illinois which offers five MCO contracts, four of which are available statewide. Enrollment in the MCO program is required for those who live in the state, are of any age, and receive Medicaid benefits and not Medicare benefits. Certain populations are excluded from this requirement, including those who receive private insurance.

Quick Medicaid Facts

3.3 Million
Medicaid Beneficiaries (12/2023)

FFS/MCO

51% **Federally Funded**

Expansion State
January 2014

Annual
Budget Cycle

Carve In
$$$ Rx Management

Prescription Drug Management

In Illinois, gross spending for drug expenditures before manufacturer rebates in FY2022 totaled $3.3 billion, up from $2.6 billion in FY2021, a 27 percent increase. FFS and MCO spending accounted for $128 million and $3.1 billion, respectively.

Illinois uses a DUR Board to advise on Medicaid prescription drug coverage. The DUR Board reviews and makes recommendations on prospective and retrospective drug utilization review criteria and develops educational initiatives to improve prescribing and dispensing practices. The department also works with the Drugs and Therapeutics Advisory Board to make prior approval and PDL decisions.

Under current supplementary rebate programs, pharmacy benefit managers (PBMs) are responsible for negotiating supplemental rebates.

- PDL for FFS Rx
- MCO Rx UPDL
- FFS Rx Limits – 4 prescriptions per month; Prior approval required for Rx above the limit
- Carves In Rx Benefit
- Carves Out Certain Drug Classes
- Generics Promoting Policies in Place

Rx VBP Overview

Date of Approval	CMS Approval on March 12, 2024
Proposed Model	Supplemental Rebate Agreement

DISEASE POPULATION IN THE STATE (estimates)

Cystic Fibrosis	Diabetes	Hemophilia	Acute Hepatitis C	Sickle Cell Disease	Spinal Muscular Atrophy
1,100	1,075,700	>1,000	230	3,720	424*

*Estimated number of individuals living with SMA

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INDIANA

Medicaid in Indiana is administered by the Family and Social Services Administration (FSSA) through the Office of Medicaid Policy and Planning (OMPP). The Indiana Health Coverage Programs (IHCP) works with five health plans to serve as managed care entities (MCEs) for the Hoosier Healthwise, Healthy Indiana Plan (HIP) and Hoosier Care Connect programs.

Quick Medicaid Facts

1.7 Million
Medicaid Beneficiaries (12/2023)

FFS/MCO

65% **Federally Funded**

Expansion State
February 2015

Biennial
Budget Cycle

Hybrid
$$$ Rx Management

Prescription Drug Management

In Indiana, gross spending for drug expenditures before manufacturer rebates in FY2022 totaled $2.5 billion, up from $2.2 billion in FY2021, a 14 percent increase. FFS and MCO spending accounted for $479 million and $2 billion, respectively.

Indiana uses a DUR to review Medicaid prescription drug coverage. The DUR Board is composed of 11 members, including physicians, pharmacists, and consumers. The Board meets monthly to review and approve DUR criteria, which are used to assess the appropriateness of drug utilization for Medicaid beneficiaries.

Under current supplementary rebate programs, the state is the primary negotiator.

- PDL for FFS Rx
- MCO Rx UPDL
- No FFS Rx Limits
- Carves In Rx Benefit
- Carves Out Certain Drug Classes
- Generics Promoting Policies in Place

Rx VBP Overview

Date of Approval	CMS Approval on Sep. 8, 2023
Proposed Model	Supplemental Rebate Agreement

DISEASE POPULATION IN THE STATE (estimates)

Cystic Fibrosis	Diabetes	Hemophilia	Acute Hepatitis C	Sickle Cell Disease	Spinal Muscular Atrophy
844	636,700	>1,000	179	1,162	248*

*Estimated number of individuals living with SMA

SPA VBP Approved

LOUISIANA

Louisiana's Medicaid is managed through Healthy Louisiana. Healthy Louisiana was created after transforming the former CommunityCARE program into a risk-based comprehensive managed care program. As of January 2023, Healthy Louisiana contracts with six MCOs. On January 1, 2023, the state moved to a single PBM for all MCOs. A single PDL developed by the state remains in place for both FFS and MCO beneficiaries.

Quick Medicaid Facts

- **1.6 Million** *Medicaid Beneficiaries (12/2023)*
- **FFS/MCO**
- **68%** **Federally Funded**
- **Expansion State** *July 2016*
- **Annual** *Budget Cycle*
- **Carve In** *$$$ Rx Management*

Prescription Drug Management

In Louisiana gross spending for drug expenditures before manufacturer rebates in FY2022 totaled $2.4 billion, up from $2 billion in FY2021, a 20 percent increase. FFS and MCO drug spending accounted for $49 million and $2.3 billion, respectively.

Louisiana uses a P&T Committee to advise on Medicaid prescription drug coverage. The P&T Committee is responsible for reviewing new PDL drugs and orphan/expedited review drugs. Reviews for PDL drug classes are conducted on an annual basis, while the timeline for prior authorization criteria reviews are performed on an "as needed" basis.

Under the supplementary rebate program, a competitively procured purchasing pool is responsible for negotiations.

- FFS Rx PDL
- MCO Rx UPDL
- FFS Rx Limits – 4 prescriptions per month
- Carves In Rx Benefit
- Generics Promoting Policies in Place

Rx VBP Overview	
SPA #	LA-19-0018 ; LA-19-0029 (amendment)
Date of Approval	CMS Approval on May 26, 2019; March 11, 2020
Proposed Model	Subscription-Based Model for Hepatitis C Antiviral Agents

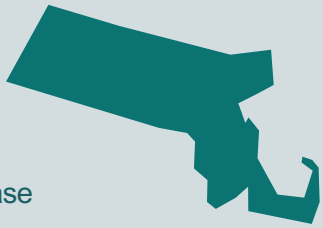
DISEASE POPULATION IN THE STATE (estimates)

Cystic Fibrosis	Diabetes	Hemophilia	Acute Hepatitis C	Sickle Cell Disease	Spinal Muscular Atrophy
366	486,600	100-299	308	3,936	182*

*Estimated number of individuals living with SMA

SPA VBP Approved

MASSACHUSETTS



Massachusetts' Medicaid is managed through MassHealth, which has extended managed care services to Medicaid beneficiaries through the combination of a limited MCO and Primary Care Case Management (PCCM). Under the PCCM model, behavioral health services are carved out of the benefits package but are provided through a mental health pre-paid plan. Through the Senior Care Options (SCO), beneficiaries aged 65 and over are provided with continued coverage for acute, long-term care, and social support services. In 2018, the state announced a major redesign to MassHealth, and automatically shifted most of the benefits under one of the contracted accountable care organizations (ACOs). Patients had the flexibility to opt-out of the ACO and enroll in an alternative managed care option.

Quick Medicaid Facts

- ***1.6 Million*** *Medicaid Beneficiaries (12/2023)*
- ***FFS/MCO***
- ***50% Federally Funded***
- ***Expansion State*** *January 2014*
- ***Annual*** *Budget Cycle*
- ***Carve In*** *$$$ Rx Management*

Prescription Drug Management

In Massachusetts, gross spending for drug expenditures before manufacturer rebates in FY2022 totaled $2.1 billion, up from $2 billion in FY2021, a 5 percent increase. FFS and MCOs drug spending accounted for $990 million and $1.1 billion, respectively.

The Massachusetts Medicaid agency performs the review for new PDL drugs and orphan/ expedited review drugs as well as step therapy and prior authorization criteria. Reviews for all categories are performed on an "as needed" basis.

Under the supplementary rebate program, a competitively procured purchasing pool is responsible for negotiations.

- FFS Rx PDL
- MCO Rx UPDL – for some classes
- No FFS Rx Limits
- Carves In Rx Benefit
- Generics Promoting Policies in Place

Rx VBP Overview	
SPA #	MA-19-0001
Date of Approval	CMS Approval on July 31, 2019
Proposed Model	Supplemental Rebate Agreement

DISEASE POPULATION IN THE STATE (estimates)

Cystic Fibrosis	Diabetes	Hemophilia	Acute Hepatitis C	Sickle Cell Disease	Spinal Muscular Atrophy
840	507,500	300-499	161	1,957	211*

*Estimated number of individuals living with SMA

SPA VBP Approved

MICHIGAN

In Michigan, Medicaid is coordinated through the Michigan Department of Health and Human Services (MDHHS). The state Medicaid agency administers health benefits through two options: 1) traditional Medicaid, and 2) Healthy Michigan Plan. Michigan offers several types of MCO programs, including the Medicaid Health Plans, which offers a managed care pharmacy benefit that contracts with nine MCOs as of March 2023.

Quick Medicaid Facts

2.6 Million
Medicaid Beneficiaries (12/2023)

FFS/MCO

65% **Federally Funded**

Expansion State
April 2014

Annual
Budget Cycle

Hybrid
$$$ Rx Management

Prescription Drug Management

In Michigan, gross spending for drug expenditures before manufacturer rebates in FY2022 totaled $3.3 billion, up from $2.8 billion in FY2021, an 18 percent increase. FFS and MCOs drug spending accounted for $1.4 billion and $1.9 billion, respectively.

To determine Medicaid prescription drug coverage, reviews for new PDL drugs, orphan/ expedited review drugs, and the criteria for step therapy and prior authorization are performed by another state entity. Reviews for all categories are performed on an annual basis.

Under the supplementary rebate program, a pharmacy benefit manager (PBM) is responsible for negotiations.

- PDL for FFS Rx
- MCO Rx UPDL
- No FFS Rx Limits
- Carves In Rx Benefit
- Carves Out Certain Drug Classes
- Generics Promoting Policies in Place

Rx VBP Overview	
SPA #	MI-18-0009 ; MI-20-0007 (updates)
Date of Approval	CMS Approval on Nov. 14, 2018; Sep. 28, 2020
Proposed Model	Supplemental Rebate Agreement

DISEASE POPULATION IN THE STATE (estimates)

Cystic Fibrosis	Diabetes	Hemophilia	Acute Hepatitis C	Sickle Cell Disease	Spinal Muscular Atrophy
1,185	855,000	>1,000	103	3,322	330*

*Estimated number of individuals living with SMA

SPA VBP Approved

MISSOURI

In Missouri, Medicaid is coordinated through the Department of Social Services. The state Medicaid agency administers health benefits through two options: 1) the traditional Medicaid program called MO HealthNet, and 2) MO HealthNet Managed Care. As of July 1, 2022. Missouri reported that pharmacy benefits would be carved out of MCO contracts. Currently, the state's Medicaid contracts with three managed care programs.

Quick Medicaid Facts

1.3 Million
Medicaid Beneficiaries (12/2023)

FFS/MCO

65% **Federally Funded**

Expansion State
July 2021

Annual
Budget Cycle

Carve Out
$$$ Rx Management

Prescription Drug Management

In Missouri, gross spending for drug expenditures before manufacturer rebates in FY2022 totaled $1.4 billion, up from $1.3 billion in FY2021, an 8 percent increase. FFS drug spending accounted for all the spending.

Missouri has a Drug Prior Authorization Committee and a Drug Utilization Review Board that make recommendations and ratify for prior authorization, clinical edit, or PDL status.

Under the supplementary rebate program, the state is responsible for negotiations.

- PDL for FFS Rx
- N/A – MCO Carve Out
- No FFS Rx Limits
- Carves Out Rx Benefits in MCOs
- Generics Promoting Policies in Place

Rx VBP Overview	
SPA #	MO-22-0023
Date of Approval	CMS Approval on Jan. 12, 2023
Proposed Model	Supplemental Rebate Agreement

DISEASE POPULATION IN THE STATE (estimates)

Cystic Fibrosis	Diabetes	Hemophilia	Acute Hepatitis C	Sickle Cell Disease	Spinal Muscular Atrophy
784	541,700	300-499	11	1,903	220*

*Estimated number of individuals living with SMA

SPA VBP Approved

NEW YORK

In New York, Medicaid is coordinated through the Department of Health. On April 1, 2023, the pharmacy benefit transitioned from managed care to a FFS program, NYRx, for all Mainstream Managed Care beneficiaries. This was previously scheduled for implementation on April 1, 2021, but was delayed for two years by the state legislature. This change does not apply to those enrolled in Managed Long-Term Care plans. The scope of benefits will not be changed by this transition.

Quick Medicaid Facts

- ***6.5 Million*** *Medicaid Beneficiaries (12/2023)*
- ***FFS/MCO***
- ***50% Federally Funded***
- ***Expansion State*** *January 2014*
- ***Annual*** *Budget Cycle*
- ***Carve Out*** *$$$ Rx Management*

Prescription Drug Management

In New York, gross spending for drug expenditures before manufacturer rebates in FY2022 totaled $7 billion, up from $6.6 billion in FY2021, a 6 percent increase. FFS and MCOs drug spending accounted for $721 million and $6.4 billion, respectively.

Under the NYRx program, a DUR board will review drug classes and make recommendations to the Commissioner of Health on an annual basis regarding the selection of preferred and non-preferred drugs within certain drug classes.

Under current supplementary rebate programs, the Medicaid agency is the primary negotiator.

- PDL for FFS Rx
- N/A – MCO Carve Out
- No FFS Rx Limits
- Carves Out MCO Rx Benefits
- Generics Promoting Policies in Place

Rx VBP Overview	
SPA #	NY-22-0036
Date of Approval	CMS Approval on April 1, 2022
Proposed Model	Supplemental Rebate Agreement

DISEASE POPULATION IN THE STATE (estimates)

Cystic Fibrosis	Diabetes	Hemophilia	Acute Hepatitis C	Sickle Cell Disease	Spinal Muscular Atrophy
1,684	1,827,200	>1,000	283	8,661	666*

*Estimated number of individuals living with SMA

SPA VBP Approved

NORTH CAROLINA

North Carolina was one of the few remaining states yet to have expanded its Medicaid program until legislators announced an agreement to expand Medicaid in the state in March 2023. On July 1, 2021, North Carolina transitioned to NC Managed Medicaid Care, a system managed by five private insurance companies. Under this program, there are two plan options, the Standard Plan and the Tailored Plan, which only select beneficiaries are eligible for, and both plans offer pharmacy benefits.

Quick Medicaid Facts

- **2.2 Million** *Medicaid Beneficiaries (12/2023)*
- **FFS/MCO**
- **65%** **Federally Funded**
- **Expansion State** *December 2023*
- **Biennial** *Budget Cycle*
- **Carve In** *$$$ Rx Management*

Prescription Drug Management

In North Carolina, gross spending for drug expenditures before manufacturer rebates in FY2022 totaled $2.3 billion, up from $2.2 billion in FY2021, a 5 percent increase. FFS and MCOs drug spending accounted for $847 million and $1.5 billion, respectively.

North Carolina uses a P&T Committee to advise on Medicaid prescription drug coverage of new PDL drugs and orphan/expedited review drugs, while the Medicaid agency assumes responsibility for establishing step therapy and prior authorization criteria. Reviews for new PDL drugs occur on an annual basis while reviews for step therapy and prior authorization requirements are completed monthly by the P&T Committee.

Under the supplementary rebate program, a purchasing pool is used for negotiation.

- PDL for FFS Rx
- MCO Rx UPDL
- No FFS Rx Limits
- Carves In Rx Benefit
- Generics Promoting Policies in Place

Rx VBP Overview	
SPA #	NC-21-0012
Date of Approval	CMS Approval on Oct 30, 2021
Proposed Model	Supplemental Rebate Agreement

DISEASE POPULATION IN THE STATE (estimates)

Cystic Fibrosis	Diabetes	Hemophilia	Acute Hepatitis C	Sickle Cell Disease	Spinal Muscular Atrophy
1,098	1,055,400	700-999	67	3,973	371*

*Estimated number of individuals living with SMA

SPA VBP Approved

NORTH DAKOTA

North Dakota's Medicaid program is administered by the Medical Services Division. The state contracts with a single MCO to administer the Medicaid Expansion Program, enabling more people to access affordable coverage and preventive services. Pharmacy benefits were carved out of the MCO contract in 2020/

Quick Medicaid Facts

109,244
Medicaid Beneficiaries (12/2023)

FFS/MCO

51% **Federally Funded**

Expansion State
January 2014

Biennial
Budget Cycle

Carve Out
$$$ Rx Management

Prescription Drug Management

In North Dakota, gross spending for drug expenditures before manufacturer rebates in FY2022 totaled $98 million, up from $87 million in FY2021, a 13 percent increase. FFS and MCOs drug spending accounted for $93 million and $4 million, respectively.

The DUR Board functions as an advisory board for ND Medicaid - Pharmacy Services, Medical Services division of the North Dakota Department of Health and Human Services ("the Department"). The DUR Board's responsibilities include advising the Department on prior authorization criteria for pharmacy-dispensed medications and identifying and developing educational topics and interventions to improve the quality of drug therapy.

Under current supplementary rebate programs, the state is the primary negotiator.

- PDL for FFS Rx
- N/A – MCO Carve Out
- No FFS Rx Limits
- Carves Out Rx Benefit
- Generics Promoting Policies in Place

Rx VBP Overview	
SPA #	ND-23-0006
Date of Approval	CMS Approval on May 16, 2023
Proposed Model	Supplemental Rebate Agreement

DISEASE POPULATION IN THE STATE (estimates)

Cystic Fibrosis	Diabetes	Hemophilia	Acute Hepatitis C	Sickle Cell Disease	Spinal Muscular Atrophy
82	57,300	6-99	N/A	143	32*

*Estimated number of individuals living with SMA

SPA VBP Approved

OHIO

In Ohio, Medicaid is coordinated through the Department of Medicaid. The state contracts with six MCOs, but in October 2022, Ohio carved out components of pharmacy benefits from MCO contracts and began a contract with a single PBM. Additionally, the state is contracting with a Pharmacy Pricing and Audit Consultant (PPAC) for the purposes of support regarding reimbursement, benefit design, oversight, and auditing.

Quick Medicaid Facts

2.8 Million
Medicaid Beneficiaries (12/2023)

FFS/MCO

65% **Federally Funded**

Expansion State
January 2014

Biennial
Budget Cycle

Carve Out
$$$ Rx Management

Prescription Drug Management

In Ohio, gross spending for drug expenditures before manufacturer rebates in FY2022 totaled $4.3 billion, up from $3.8 billion in FY2021, a 13 percent increase. FFS and MCOs drug spending accounted for $316 million and $3.9 billion, respectively.

Ohio uses a P&T Committee to advise on Medicaid prescription drug coverage which is reviewed on an annual basis. The state also utilizes a DUR committee, which reviews consumer claims profiles to determine review criteria, and a board to approve such criteria.

Under current supplementary rebate programs, the state is the primary negotiator.

- PDL for FFS Rx
- N/A – MCO Carve Out
- No FFS Rx Limits
- Carves Out Rx Benefit
- Generics Promoting Policies in Place

Rx VBP Overview	
SPA #	OH-21-0033
Date of Approval	CMS Approval on Feb. 14, 2022
Proposed Model	Supplemental Rebate Agreement

DISEASE POPULATION IN THE STATE (estimates)

Cystic Fibrosis	Diabetes	Hemophilia	Acute Hepatitis C	Sickle Cell Disease	Spinal Muscular Atrophy
1,616	1,158,800	>1,000	126	3,725	411*

*Estimated number of individuals living with SMA

SPA VBP Approved

OKLAHOMA

Oklahoma's Medicaid is managed through SoonerCare, which provides coverage for acute, primary, specialty, and behavioral health services. SoonerCare Select is an additional program run through SoonerCare that only specific populations are eligible for, for example, pregnant women and children are required to participate in SoonerSelect. SoonerCare Choice is the state's statewide managed care model that links members to a primary care provider. This program began in 2023 so reporting is not yet available.

Quick Medicaid Facts

919,466
Medicaid Beneficiaries (12/2023)

FFS

67% **Federally Funded**

Expansion State
July 2021

Annual
Budget Cycle

N/A – No MCOs
$$$ Rx Management

Prescription Drug Management

In Oklahoma, gross spending for drug expenditures before manufacturer rebates in FY2022 totaled $812 million, up from $575 million in FY2021, a 41 percent increase. FFS drug spending accounts for all drug costs.

Oklahoma uses a DUR Board for reviews of new PDL drugs, orphan/expedited review drugs, and step therapy and prior authorization requirements. Reviews for PDL drug classes are conducted on an "as needed" basis, while step therapy and prior authorization criteria reviews are completed annually.

Under the supplementary rebate program, a competitively procured purchasing pool is responsible for negotiations.

- PDL for FFS Rx
- N/A No MCOs -- PDL for MCO Rx
- FFS Rx Limits – 6 prescriptions per month w/ certain exclusions
- N/A – No MCOs
- Generics Promoting Policies in Place

Rx VBP Overview	
SPA #	OK-18-0008
Date of Approval	CMS Approval on June 27, 2018
Proposed Model	Supplemental Rebate Agreement

DISEASE POPULATION IN THE STATE (estimates)

Cystic Fibrosis	Diabetes	Hemophilia	Acute Hepatitis C	Sickle Cell Disease	Spinal Muscular Atrophy
364	390,400	100-299	30	753	151*

*Estimated number of individuals living with SMA

SPA VBP Approved

OREGON

The Oregon Health Plan (OHP) is Oregon's Medicaid program. Additionally, OHP contracts and is operated through eighteen statewide managed care organizations and coordinated care organizations (CCO). For CCO members, the CCO covers all physical health prescriptions but carves out mental health medications to be handled by the FFS program. CCOs provide prescription drug coverage to most OHP members, and while their coverage policies may differ, they must follow the FFS Prioritized List of Health Services.

Quick Medicaid Facts

1.3 Million
Medicaid Beneficiaries (12/2023)

FFS/MCO

59% **Federally Funded**

Expansion State
January 2014

Biennial
Budget Cycle

Hybrid
$$$ Rx Management

Prescription Drug Management

In Oregon, gross spending for drug expenditures before manufacturer rebates in FY2022 totaled $818 million, up from $778 million in FY2021, a 5 percent increase. FFS and MCOs drug spending accounted for $139 million and $679 million, respectively.

The P&T Committee in the state acts in an advisory capacity to provide clinical recommendations on the statewide PDL which must then be reviewed and approved by the Oregon Health Authority.

Under the current supplementary rebate program, the state is the primary negotiator.

- PDL for FFS Rx
- No UPDL for MCO Rx
- FFS Rx Limits –15 unique prescriptions in a six-month period
- Carves In Rx Benefit
- Carves Out Certain Drug Classes
- Generics Promoting Policies in Place

Rx VBP Overview	
SPA #	OR-23-0024
Date of Approval	CMS Approval on Sep. 12, 2023
Proposed Model	Supplemental Rebate Agreement

DISEASE POPULATION IN THE STATE (estimates)

Cystic Fibrosis	Diabetes	Hemophilia	Acute Hepatitis C	Sickle Cell Disease	Spinal Muscular Atrophy
456	327,500	300-499	21	180	127*

*Estimated number of individuals living with SMA

PENNSYLVANIA

Pennsylvania's Medicaid program, also known as Medical Assistance (MA), is coordinated through the Department of Human Services, which administers the pharmacy benefit for beneficiaries covered under the FFS program. Additionally, MA contracts and is operated through nine statewide managed care organizations. The statewide PDL applies to beneficiaries of two of the MCOs, HealthChoices and CommunityHealthChoices.

Quick Medicaid Facts

- ***3.1 Million*** *Medicaid Beneficiaries (12/2023)*
- ***FFS/MCO***
- **55%** ***Federally Funded***
- ***Expansion State*** *January 2015*
- ***Annual*** *Budget Cycle*
- ***Carve In*** *$$$ Rx Management*

Prescription Drug Management

In Pennsylvania, gross spending for drug expenditures before manufacturer rebates in FY2022 totaled $4.3 billion, up from $3.8 billion in FY2021, a 13 percent increase. FFS and MCOs drug spending accounted for $28 million and $4.2 billion, respectively.

The P&T Committee in the state acts in an advisory capacity to provide clinical recommendations on the statewide PDL which must then be reviewed and approved by the Secretary of the Department of Human Services. Additionally, the state utilizes a DUR Board.

Under current supplementary rebate programs, the state is the primary negotiator.

- PDL for FFS Rx
- UPDL for MCO Rx
- No FFS Rx Limits
- Carves In Rx Benefit
- Generics Promoting Policies in Place

Rx VBP Overview	
SPA #	PA-22-0005
Date of Approval	CMS Approval on Aug. 19, 2022
Proposed Model	Supplemental Rebate Agreement

DISEASE POPULATION IN THE STATE (estimates)

Cystic Fibrosis	Diabetes	Hemophilia	Acute Hepatitis C	Sickle Cell Disease	Spinal Muscular Atrophy
1,578	*1,145,500*	*>1,000*	*158*	*3,743*	*415**

**Estimated number of individuals living with SMA*

SPA VBP Approved

TENNESSEE

Tennessee Medicaid, also known as TennCare, is administered by the Division of TennCare. Under the SPA for the supplemental rebate agreement, TennCare moved to a single, statewide PDL for the entire pharmacy program. Additionally, TennCare employs a single PBM to process all TennCare pharmacy claims and respond to all prior approval requests through OptumRx. Pharmacy benefits are generally carved out of MCO contracts and are instead provided by Pharmacy Benefit Administrators contracted with the state. Currently, the state's Medicaid contracts with three managed care programs.

Quick Medicaid Facts

- ***1.5 Million*** *Medicaid Beneficiaries (12/2023)*
- ***FFS/MCO***
- ***65% Federally Funded***
- ***Non-Expansion State***
- ***Annual*** *Budget Cycle*
- ***Carve Out*** *$$$ Rx Management*

Prescription Drug Management

In Tennessee, spending for pharmacy benefits in FY2022 totaled $1.5 billion, up from $1.3 billion in FY2021, a 15 percent increase. FFS and MCOs drug spending accounted for $1.3 billion and $135 million, respectively. Tennessee generally carves out prescription drugs from its MCO program, but MCO spending may reflect physician-administered drugs.

A prospective drug utilization review is run through OptumRx which encompasses the detection, evaluation, and counseling components of predispensing drug therapy screening.

Under the supplementary rebate program, the state is responsible for negotiations.

- PDL for FFS Rx
- N/A – MCO Carve Out
- FFS Rx Limits – 5 prescriptions per month (adults)
- Carves Out MCO Rx Benefits
- Generics Promoting Policies in Place

Rx VBP Overview	
SPA #	TN-21-0004
Date of Approval	CMS Approval on Aug. 18, 2021
Proposed Model	Supplemental Rebate Agreement

DISEASE POPULATION IN THE STATE (estimates)

Cystic Fibrosis	Diabetes	Hemophilia	Acute Hepatitis C	Sickle Cell Disease	Spinal Muscular Atrophy
811	763,900	300-499	208	2,077	250*

*Estimated number of individuals living with SMA

SPA VBP Approved

TEXAS

Texas Medicaid is operated by the Texas Medicaid and Healthcare Partnership (TMHP) and managed through the STAR managed care program, which delivers coverage through managed care plans under contract with the state. In those programs, patients receive services through chosen health plans. Members of this program get Medicaid benefits in addition to add-on services as needed for an additional, but discounted rate. In addition to STAR, Texas operates two other managed care programs: STAR+PLUS and STAR Health. Texas contracts with multiple plans comprised of local non-profit plans and national for-profit plans.

Quick Medicaid Facts

- ***4 Million*** *Medicaid Beneficiaries (12/2023)*
- ***FFS/MCO***
- ***60% Federally Funded***
- ***Non-Expansion State***
- ***Biennial*** *Budget Cycle*
- ***Hybrid*** *$$$ Rx Management*

Prescription Drug Management

In Texas, spending for pharmacy benefits in FY2022 totaled $3.9 billion, up from $3.3 billion in FY2021, an 18 percent increase. FFS and MCOs drug spending accounted for $44 million and $3.8 billion, respectively.

Texas uses a DUR Board for reviews of new PDL drugs and step therapy and prior authorization criteria, while the Medicaid agency manages orphan/expedited review drugs. Reviews are conducted on a quarterly basis. Recommendations are forwarded to the Texas Medicaid agency.

Under the supplementary rebate program, a competitively procured external vendor is responsible for negotiations.

- PDL for FFS Rx
- UPDL for MCO Rx
- FFS Rx Limits – 3 prescriptions per month (adults)
- Carves In Rx Benefit
- Carves Out Certain Drug Classes
- Generics Promoting Policies in Place

Rx VBP Overview	
SPA #	TX-20-0010
Date of Approval	CMS Approval on Sept. 28, 2020
Proposed Model	Supplemental Rebate Agreement

DISEASE POPULATION IN THE STATE (estimates)

Cystic Fibrosis	Diabetes	Hemophilia	Acute Hepatitis C	Sickle Cell Disease	Spinal Muscular Atrophy
2,223	2,552,500	> 1,000	23	7,132	1,164*

*Estimated number of individuals living with SMA

SPA VBP Approved

UTAH

Medicaid in Utah is administered by the Utah Department of Health (UDOH) through its Division of Medicaid and Health Financing. Utah Medicaid contracts with several managed care health plans to offer coverage through Accountable Care Organizations (ACO). Members who live in certain counties must choose one of the health plans, but those not in the designated counties have the option of selecting a health plan or using the FFS Network.

Quick Medicaid Facts

328,297
Medicaid Beneficiaries (12/2023)

FFS/MCO

64% **Federally Funded**

Expansion State
January 2020

Annual
Budget Cycle

Hybrid
$$$ Rx Management

Prescription Drug Management

In Utah, spending for pharmacy benefits in FY2022 totaled $492 million, up from $409 million in FY2021, a 20 percent increase. FFS and MCOs drug spending accounted for $210 million and $282 million, respectively.

The DUR Board provides an evaluation of criteria for drug coverage within the Medicaid Program. The Board is composed of physicians and pharmacist professionals who meet on a monthly basis to consider issues that affect how drugs are provided by the Medicaid program.

Under the supplementary rebate program, the state is responsible for negotiations.

- PDL for FFS Rx
- No UPDL for MCO Rx
- No FFS Rx Limits
- Carves In Rx Benefit
- Carves Out Certain Drug Classes
- Generics Promoting Policies in Place

Rx VBP Overview	
SPA #	UT-23-0005
Date of Approval	CMS Approval on Sept. 8, 2023
Proposed Model	Supplemental Rebate Agreement

DISEASE POPULATION IN THE STATE (estimates)

Cystic Fibrosis	Diabetes	Hemophilia	Acute Hepatitis C	Sickle Cell Disease	Spinal Muscular Atrophy
540	191,000	100-299	149	82	145*

*Estimated number of individuals living with SMA

SPA VBP Approved

VERMONT

Vermont's Medicaid program is administered through the Department of Vermont Health Access (DVHA). There are different types of Medicaid in the state, including, traditional Medicaid which offers coverage for adults, Dr. Dynasaur which provides coverage for children, teens under 19, and pregnant women, and a prescription assistance program that is offered to both the uninsured and those enrolled in Medicare. Eligibility in the prescription assistance program is based on income, disability status, and age.

Quick Medicaid Facts

- ***166,424*** *Medicaid Beneficiaries (12/2023)*
- ***FFS Model***
- ***58% Federally Funded***
- ***Expansion State*** *January 2014*
- ***Annual*** *Budget Cycle*
- ***N/A – No MCOs*** *$$$ Rx Management*

Prescription Drug Management

In Vermont, spending for pharmacy benefits in FY2022 totaled $195 million, up from $176 million in FY2021, an 11 percent increase. FFS drug spending accounts for all drug costs.

The Drug Utilization Review Board advises DVHA on its drug coverage policies, clinical criteria for drug use, and reviewing drugs for appropriate utilization. Meetings of the DUR Board occur approximately every six weeks.

Under the supplementary rebate program, the state is responsible for negotiations.

- PDL for FFS Rx
- N/A No MCOs – PDL for MCO Rx
- No FFS Rx Limits
- N/A – No MCO
- Generics Promoting Policies in Place

Rx VBP Overview

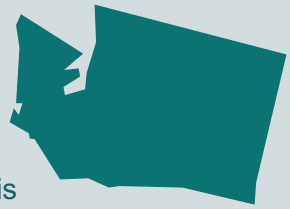
Date of Approval	CMS Approval on Sept. 1, 2023
Proposed Model	Supplemental Rebate Agreement

DISEASE POPULATION IN THE STATE (estimates)

Cystic Fibrosis	Diabetes	Hemophilia	Acute Hepatitis C	Sickle Cell Disease	Spinal Muscular Atrophy
145	44,800	6-99	N/A	11	16*

*Estimated number of individuals living with SMA

WASHINGTON



Washington's Medicaid is managed through the Apple Health program. Apple Health contracts and is operated through five statewide managed care organizations. In addition to its health managed care program, the state also operates two other managed care delivery programs for behavioral health and long-term care – the Regional Support Networks (RSN) model, a joint 11 county-based collaborative, and the All-Inclusive Care for the Elderly (PACE) program.

Quick Medicaid Facts

- ***1.9 Million*** *Medicaid Beneficiaries (12/2023)*
- ***FFS/MCO***
- **50%** ***Federally Funded***
- ***Expansion State*** *January 2014*
- ***Biennial*** *Budget Cycle*
- ***Hybrid*** *$$$ Rx Management*

Prescription Drug Management

In Washington, spending for pharmacy benefits in FY2022 totaled $1.5 billion, up from $1.4 billion in FY2021, an 11 percent increase. FFS and MCOs drug spending accounted for $100 million and $1.4 billion, respectively.

Reviews of the criteria for step therapy and prior authorization, and orphan/expedited review drugs are performed by the Medicaid agency, while another state entity carries out reviews for the PDL. All reviews are completed on an annual basis.

Under the supplementary rebate programs, multiple competitively procured entities are responsible for negotiations.

- PDL for FFS Rx
- UPDL for MCO Rx – for some classes
- No FFS Rx Limits
- Carves In Rx Benefit
- Carves Out Certain Drug Classes

Rx VBP Overview	
SPA #	WA-19-0008
Date of Approval	CMS Approval on June 12, 2019
Proposed Model	Subscription-Based Model for Hepatitis C Antivirals

DISEASE POPULATION IN THE STATE (estimates)

Cystic Fibrosis	Diabetes	Hemophilia	Acute Hepatitis C	Sickle Cell Disease	Spinal Muscular Atrophy
723	536,600	300-499	110	370	264*

*Estimated number of individuals living with SMA