DEPARTMENT OF SOCIAL SERVICES

Notice of Proposed Medicaid State Plan Amendment (SPA)

SPA 24-G Changes to Pharmacy Reimbursement for Alcohol Prep Pads and Blood Glucose Test Strips

The State of Connecticut Department of Social Services (DSS) proposes to submit the following Medicaid State Plan Amendment (SPA) to the Centers for Medicare & Medicaid Services (CMS) within the U.S. Department of Health and Human Services (HHS). Public comment information is at the bottom of this document.

Changes to Medicaid State Plan

Effective on or after April 1, 2024, this SPA 24 will amend Attachment 4.19-B of the Medicaid State Plan to make updates to the payment methodologies described below:

When provided by a pharmacy, (a) the rate for blood glucose testing strips will be WAC (Wholesale Acquisition Cost) with no dispensing fee and (b) alcohol prep pads will be capped at a maximum reimbursement amount of \$6.00 per 100 prep pads with no dispensing fee.

DSS is making both of these changes in order to achieve reimbursement parity between the same items when provided through the medical equipment, devices and supplies (MEDS) benefit and the pharmacy benefit. Access to both products will still be available through either the Pharmacy Prescription (POS) or MEDS benefit.

Fiscal Impact

DSS estimates that this SPA will decrease annual aggregate expenditures by approximately fiscal impact of \$(403,315) in State Fiscal Year (SFY) 2024, \$(2,492,485) in SFY 2025 and \$(2,567,260) in SFY 2026.

Compliance with Federal Access Regulations

In accordance with federal regulations at 42 C.F.R. §§ 447.203 and 447.204, DSS is required to ensure that there is sufficient access to Medicaid services, including services where payment rates are proposed to be reduced. Those federal regulations also require DSS to have ongoing mechanisms for Medicaid members, providers, other stakeholders, and the public to provide DSS with feedback about access. In addition to other available procedures, anyone may send DSS comments about the potential impact of this SPA on access to these supplies for which rates are being reduced or payment is being restructured in a manner that could affect access, as part of the public comment process for this SPA. Contact information and the deadline for submitting public comments are listed below. In this SPA, DSS does not anticipate that this SPA will have any negative impact on access because these changes

will simply ensure that the maximum reimbursement for these items is the same when provided through both the MEDS and pharmacy benefits.

Obtaining SPA Language and Submitting Comments

This SPA is posted on the DSS web site at this link: <u>https://portal.ct.gov/DSS/Health-And-Home-Care/Medicaid-State-Plan-Amendments</u>. The proposed SPA may also be obtained at any DSS field office or the Town of Vernon Social Services Department, or upon request from DSS (see below).

To request a copy of the SPA from DSS or to send comments about the SPA, please email: <u>Public.Comment.DSS@ct.gov</u> or write to: Medical Policy Unit, Department of Social Services, 55 Farmington Avenue, 9th Floor, Hartford, CT 06105. Please reference "SPA 24-G: Changes to Pharmacy reimbursement for Alcohol Prep Pads and Blood Glucose Test Strips

Anyone may send DSS written comments about the SPA. Written comments must be received by DSS at the above contact information no later than **April 25, 2024**.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT State <u>Connecticut</u>

Home Health Services (Continued)

(d) Medical supplies, equipment and appliances suitable for use in the home – Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of medical supplies, equipment and appliances suitable for use in the home. The agency's fee schedule rates were set as of April 1, 2024 and are effective for services provided on or after that date. All rates are published on the Connecticut Medical Assistance Program website: https://www.ctdssmap.com. From this web page, go to "Provider," then to "Provider Fee Schedule Download," then select the applicable fee schedule. Over-the-counter products provided by pharmacies are reimbursed at Average Wholesale Price (AWP) with no dispensing fee except for blood glucose testing strips which are reimbursed at WAC (Wholesale Acquisition Cost) with no dispensing fee and alcohol prep pads which are reimbursed at a maximum amount of \$6.00 per 100 prep pads with no dispensing fee.

TN # <u>24-G</u> Supersedes TN # <u>24-0002</u> Approval Date

Effective Date 04/1/2024