DEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services San Francisco Regional Office 90 Seventh Street, Suite 5-300 (5W) San Francisco, CA 94103-6706



#### DIVISION OF MEDICAID & CHILDREN'S HEALTH OPERATIONS

"JUN 1 7 2013

Tom Betlach, Director Arizona Health Care Cost Containment System 801 East Jefferson Street Phoenix, AZ 85034

Dear Mr. Betlach:

Enclosed is an approval letter from Larry Reed, Director of CMS Division of Pharmacy, for Arizona State Plan Amendment (SPA) 13-004. Copies of the approved State Plan pages are also included. SPA 13-004 was submitted to my office on March 28, 2013 to comply with the Medicare Improvements for Patients and Providers Act (MIPPA) of 2008, which added barbiturates used in the treatment of epilepsy, cancer and chronic mental health disorders and benzodiazepines as categories of drugs Part D plans must cover as of January 1, 2013. This amendment excludes from coverage benzodiazepines for all conditions and barbiturates for those conditions for full benefit dual eligible beneficiaries.

The effective date of this SPA is January 1, 2013. Enclosed are the following approved SPA pages that should be incorporated into your approved State Plan:

- Attachment 3.1-A Limitations, page 9
- Attachment 3.1-A Limitations, page 9(a)

Enclosed are the additional following documents:

- HCFA Form 179
- Approval letter from CMS' Division of Pharmacy

If you have any questions, please contact Tyler Sadwith by phone at (415) 744-3563 or by email at Tyler.Sadwith@cms.hhs.gov.

Sincerely,

Gloria Nagle, Ph.D., MPA

Associate Regional Administrator

Division of Medicaid & Children's Health Operations

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## Enclosure

cc: Monica Coury, Arizona Health Care Cost Containment System

DEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services 7500 Security Boulevard, Mail Stop S2-14-26 Baltimore, Maryland 21244-1850



## Disabled & Elderly Health Programs Group

June 17, 2013

Tom Betlach, Director Arizona Health Care Cost Containment System 801 East Jefferson Street Phoenix, AZ 85034

Dear Mr. Betlach:

We have reviewed Arizona's State Plan Amendment (SPA) 13-004, received in the San Francisco Regional Office on March 28, 2013. This amendment proposes to exclude from coverage benzodiazepines for all conditions and barbiturates for the treatment of epilepsy, cancer and chronic mental health disorders for full benefit dual eligibles as Medicare Part D will provide this coverage.

Based on the information provided, we are pleased to inform you that consistent with the regulations at 42 CFR 430.20, SPA 13-004 is approved with an effective date of January 1, 2013. A copy of the signed CMS-179 form, as well as the pages approved for incorporation into the Arizona state plan will be forwarded by the San Francisco Regional Office.

If you have any questions regarding this amendment, please contact Jessica Walker at (410) 786-2457.

Sincerely,

/s/

Larry Reed
Director
Division of Pharmacy

cc: Monica Coury, Arizona Health Care Cost Containment System Gloria Nagle, ARA, San Francisco Regional Office Tyler Sadwith, San Francisco Regional Office

TRANSMITTAL AND NOTICE OF APPROVAL OF	1. TRANSMITTAL NUMBER:	2. STATE			
STATE PLAN MATERIAL	13-004	Arizona			
STATETEAN MATERIAL					
FOR: Centers for Medicare and Medicaid Services	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)				
TO: REGIONAL ADMINISTRATOR	4. PROPOSED EFFECTIVE DATE				
CENTERS FOR MEDICARE AND MEDICAID SERVICES	January 1, 2013				
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
5. TYPE OF PLAN MATERIAL (Check One):					
☐ NEW STATE PLAN ☐ AMENDMENT TO BE (	CONSIDERED AS NEW PLAN				
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AME	NDMENT (Separate Transmittal for each	amendment)			
6. FEDERAL STATUTE/REGULATION CITATION:	7. FEDERAL BUDGET IMPACT:				
Section 1860D-2(e)(2)(A)					
	FFY 2013: (\$985,200): 1/1/13-9/30/13				
	FFY 2014: (\$1,344,600): 10/1/13-	9/30/14			
O DACE NUMBER OF THE REAL OF CHICAGO OF A THE CHAPTER	O DACE MUMBER OF THE CURERC	EDED DI AN CECTION			
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION				
Attachment 3.1-A Limitations, pages 9 and 9(a)	OR ATTACHMENT (If Applicable):				
Attachment 5.1-A Limitations, pages 9 and 9(a)	Attachment 3.1-A Limitations, pages 9 and 9(a)				
	Attachment 5.1-A Elimitations	s, pages 7 and 5(a)			
10. SUBJECT OF AMENDMENT:					
10. SUBJECT OF AMENDMENT:					
Updates the State Plan to exclude Medicare Part D drugs from being covered by Medicaid for dual eligibles.					
11. GOVERNOR'S REVIEW (Check One):					
GOVERNOR'S OFFICE REPORTED NO COMMENT	☑ OTHER, AS SPEC	TFIED.			
COMMENTS OF GOVERNOR'S OFFICE ENCLOSED					
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL					
12. SIGNATURE OF STATE AGENCY OFFICIAL:	16. RETURN TO:				
Mar C	Monica Coury				
1/12/45	801 E. Jefferson, MD#4200				
13. TYPED NAME:	Phoenix, Arizona 85034				
Monica Coury					
14. TITLE:					
Assistant Director					
15. DATE SUBMITTED:	]				
March 28, 2013					
FOR REGIONAL OFFICE USE ONLY					
17. DATE RECEIVED: 6/17/2013	18. DATE APPROVED: JUN	1 7 2013			
PLAN APPROVED – ON		Company of the Compan			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 1/1/2013	20. SIGNATURE OF REGIONALO	FICIAL			
	Jane 10	34			
21. TYPED NAME: Gloria Nagle, Ph.D, MBA	<sup>22.</sup> TITLE: Associate Regional <i>i</i>	Administrator			

# 12. Prescribed drugs, dentures, and prosthetic devices; and eyeglasses prescribed by a physician skilled in diseases of the eye or by an optometrist.

#### 12a. Prescribed drugs.

Medicare Part D drugs, including benzodiazepines for any condition and barbiturates used for the treatment of epilepsy, cancer or chronic mental health conditions, are not covered for full-benefit dual eligible members, as Part D will cover them.

Prescription drugs for covered transplantation services shall be provided in accordance with AHCCCS transplantation policies.

Over-the-counter or non-prescription medications are not covered unless an appropriate, alternative over-the-counter medication is available and less costly than a prescription medication.

In compliance with Section 1927(b) of the Social Security Act (the Act), the State collects drug rebates in accordance with established policy for drug rebate agreements as provided in Exhibit 12(a) to Attachment 3.1-A.

#### 12c. Prosthetic devices.

Prosthetic devices are limited to devices prescribed by a physician or other licensed practitioner to artificially replace missing, deformed or malfunctioning portions of the body and which are medically necessary to the rehabilitation of the member.

Covered prosthetic devices for members age 21 and older do not include hearing aids, cochlear implants, bone anchored hearing aids, insulin pumps, percussive vests, microprocessors for controlled joints for the lower limbs in addition to microprocessor-controlled joints for the lower limbs, penile implants, and vacuum devices.

Orthotic devices, which are defined as devices that are prescribed by a physician or other licensed practitioner of the healing arts to support a weak or deformed portion of the body, are not covered.

#### 12d. Eyeglasses.

Eye examinations for prescriptive lenses and the provision of prescriptive lenses under EPSDT services.

Adult services are limited to eyeglasses and contact lenses as the sole prosthetic device after a cataract extraction.

## 13. Other diagnostic, screening, preventive, and rehabilitative services, i.e., other than those provided elsewhere in the plan.

### 13a. Diagnostic Services.

Genetic testing is not covered unless the results of the genetic tests are necessary to differentiate between treatment options. Genetic testing is not covered to determine specific diagnoses or syndromes when such determination would not definitively alter the medical treatment of the member.

TN No. <u>13-004</u>		JUN 1 7 2013		
Supercedes	Approval Date:	* *	Effective Date:	January 1, 2013
TN No. 11-009C				

13b. Screening services.

Coverage is available for evidence-based medically necessary screening services for children based on guidelines from the American Academy of Pediatrics and CDC/IACIP for immunizations.

Coverage is available for evidence-based medically necessary screening services for adults as described in the AHCCCS Medical Policy Manual

(www.azahcccs.gov/shared/MedicalPolicyManual/MedicalPolicyManual.aspx?ID=policymanuals) which are based, in part, on guidelines from the U.S. Preventive Services Task Force.

#### 13c. Preventive services.

Coverage is available for evidence-based medically necessary preventive services for children based on guidelines from the American Academy of Pediatrics and CDC/ACIP for immunizations.

Coverage is available for evidence-based medically necessary preventive services for adults as described in the AHCCCS Medical Policy Manual

(http://www.azahcccs.gov/shared/MedicalPolicyManual/MedicalPolicyManual.aspx) which are based, in part, on guidelines from the U.S. Preventive Services Task Force.

Preventive services not covered are: well exams meaning physical examinations in absence of any known disease or symptom or any specific medical complaint by the patient precipitating the examination.

PAP smears, mammograms and colonoscopies are covered services.

#### 13d. Rehabilitative services.

Rehabilitative Services- Services to teach independent living, social and communication skills to persons or their families to promote the maximum reduction of behavioral health symptoms and/or restoration of an individual to his/her best age appropriate functional level for the purpose of maximizing the person's ability to live independently and function in the community. Services may be provided to a person, a group of persons or their families with the person(s) present. Rehabilitative services must be provided by individuals who are qualified behavioral health professionals, behavioral health technicians or behavioral health paraprofessionals as described in the following pages of Attachment 3.1-A Limitations, pages 9(b) - 9(j).

TN No. <u>13-004</u> Supercedes TN No. <u>10-009</u> Approval Date: JUN 1 7 2013 Effective Date: January 1, 2013