

Mississippi Secretary of State
700 North Street P. O. Box 136, Jackson, MS 39205-0136

ADMINISTRATIVE PROCEDURES NOTICE FILING

AGENCY NAME Division of Medicaid		CONTACT PERSON Margaret Wilson	TELEPHONE NUMBER (601) 359-5241	
ADDRESS 550 High Street, Suite 1000		CITY Jackson	STATE MS	ZIP 39201
EMAIL Margaret.Wilson@medicaid.ms.gov	SUBMIT DATE JUL 11 2014	Name or number of rule(s): Title 23: Division of Medicaid, Part 214: Pharmacy Services, Chapter 1: General Pharmacy, Rule 1.5 Reimbursement, new Rule 1.13: Retrospective Drug Utilization Review (DUR), new Rule 1.14: Participating Federally Qualified Health Center (FQHC) Providers, and new Rule 1.15: 340B Program		

Short explanation of rule/amendment/repeal and reason(s) for proposing rule/amendment/repeal: This filing is to (1) revise Rule 1.5 to amend the payment methodology for prescription drugs at point-of-sale (POS) pharmacies to reflect actual acquisition costs, (2) to add New Rule 1.13 to outline the DUR process, (3) to add new Rule 1.14 requiring all drugs purchased at discounted prices in an in-house pharmacy of an FQHC must be reported and billed and (4) new Rule 1.15 340B Program. This filing is to comply with SPA 14-015 (eff. 07/01/2014).

Specific legal authority authorizing the promulgation of rule: Section 1902 of the Social Security Act, The Omnibus Budget Reconciliation Act (OBRA 90); The Veterans Care Act of 1992 Title VI, Sec. 340B of the Public Health Act as amended by the Patient Protection and Affordable Care Act; 42 CFR §447.512; According to Miss. Code Ann. § 25-43-1.103 subparagraph (4), the effective date of Rule 1.5 will revert to the effective date of SPA 14-015; Miss Code Ann. §§43-13-117, 43-13-121.

List all rules repealed, amended, or suspended by the proposed rule: Rule 1.5 Reimbursement, new Rule 1.13: Retrospective Drug Utilization Review (DUR), new Rule 1.14: Participating Federally Qualified Health Center (FQHC) Providers and new Rule 1.15: 340B Program

ORAL PROCEEDING:

An oral proceeding is scheduled for this rule on Date: _____ Time: _____ Place: _____

Presently, an oral proceeding is not scheduled on this rule.

If an oral proceeding is not scheduled, an oral proceeding must be held if a written request for an oral proceeding is submitted by a political subdivision, an agency or ten (10) or more persons. The written request should be submitted to the agency contact person at the above address within twenty (20) days after the filing of this notice of proposed rule adoption and should include the name, address, email address, and telephone number of the person(s) making the request; and, if you are an agent or attorney, the name, address, email address, and telephone number of the party or parties you represent. At any time within the twenty-five (25) day public comment period, written submissions including arguments, data, and views on the proposed rule/amendment/repeal may be submitted to the filing agency.

ECONOMIC IMPACT STATEMENT:

Economic impact statement not required for this rule. Concise summary of economic impact statement attached.

TEMPORARY RULES	PROPOSED ACTION ON RULES	FINAL ACTION ON RULES
_____ Original filing _____ Renewal of effectiveness To be in effect in _____ days Effective date: _____ Immediately upon filing _____ Other (specify): _____	Action proposed: <input checked="" type="checkbox"/> New rule(s) <input checked="" type="checkbox"/> Amendment to existing rule(s) _____ Repeal of existing rule(s) _____ Adoption by reference Proposed final effective date: _____ 30 days after filing <input checked="" type="checkbox"/> Other (specify): October 1, 2014	Date Proposed Rule Filed: _____ Action taken: _____ Adopted with no changes in text _____ Adopted with changes _____ Adopted by reference _____ Withdrawn _____ Repeal adopted as proposed Effective date: _____ 30 days after filing _____ Other (specify): _____

Printed name and Title of person authorized to file rules: David J. Dzielak, Ph.D., Executive Director
 Signature of person authorized to file rules: *[Signature]*

OFFICIAL FILING STAMP Accepted for filing by	DO NOT WRITE BELOW THIS LINE OFFICIAL FILING STAMP  Accepted for filing by <i>[Signature]</i> #20636	OFFICIAL FILING STAMP Accepted for filing by
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The entire text of the Proposed Rule including the text of any rule being amended or changed is attached.



DELBERT HOSEMANN
Secretary of State

CONCISE SUMMARY OF ECONOMIC IMPACT STATEMENT

An Economic Impact Statement is required for this proposed rule by Section 25-43-3.105 of the Administrative Procedures Act. This is a Concise Summary of the Economic Impact Statement which must be filed with the Secretary of State's Office.

AGENCY NAME Division of Medicaid	CONTACT PERSON Margaret Wilson	TELEPHONE NUMBER 601-359-5248
ADDRESS Walter Sillers Building, Suite 1000	CITY Jackson	STATE MS
EMAIL Margaret.wilson@medicaid.ms.gov	ADDRESS Walter Sillers Building, Suite 1000	
DESCRIPTIVE TITLE OF PROPOSED RULE Pharmacy Reimbursement		
Specific Legal Authority Authorizing the promulgation of Rule: Miss Code Ann. § 43-13-121.	Reference to Rules repealed, amended or suspended by the Proposed Rule: Title 23: Division of Medicaid, Part 214: Pharmacy Services, Chapter 1: General Pharmacy, Rule 1.5 Reimbursement, new Rule 1.13: Retrospective Drug Utilization Review (DUR), new Rule 1.14: Participating Federally Qualified Health Center (FQHC) Providers, and new Rule 1.15: 340B Program	

A. Estimated Costs and Benefits

1. Briefly summarize the benefits that may result from this regulation and who will benefit:
This amendment is to comply with SPA 14-015 Pharmacy Reimbursement and the Affordable Care Act (ACA). Without SPA 14-015, the state will be out of compliance with federal guidelines which will create access problems for beneficiaries.
2. Briefly describe the need for the proposed rule:
This proposed rule will enable the Division of Medicaid to be in compliance with the Affordable Care Act (ACA) and 42 CFR §§ 447.502, 447.512.
3. Briefly describe the effect the proposed action will have on the public health, safety, and welfare:
Pharmacies will be reimbursed in accordance with new federal guidelines as denoted in the ACA.
4. Estimated Cost of implementing proposed action:
 - a. To the agency
 Nothing Minimal Moderate Substantial Excessive
 - b. To other state or local government entities
 Nothing Minimal Moderate Substantial Excessive
5. Estimated Cost and/or economic benefit to all persons directly affected by the proposed rule:
 - a. Cost:
 Nothing Minimal Moderate Substantial Excessive
 - b. Economic Benefit:
 Nothing Minimal Moderate Substantial Excessive
6. Estimated impact on small businesses:
 Nothing Minimal Moderate Substantial Excessive

- a. Estimate of the number of small businesses subject to the proposed regulation: *Unknown*
- b. Projected costs for small businesses to comply: *Not Applicable*
- c. Statement of probable effect on impacted small businesses: *Unknown*
- 7. The cost of adopting the rule compared to not adopting the rule or significantly amending the existing rule (check option):
 - substantially less than moderately less than minimally less than
 - the same as minimally more than moderately more than
 - substantially more than excessively more than
- 8. The benefit of adopting the rule compared to not adopting the rule or significantly amending the existing rule (check option):
 - substantially less than moderately less than minimally less than
 - the same as minimally more than moderately more than
 - substantially more than excessively more than

B. Reasonable Alternative Methods

- 1. Other than adopting this rule, are there less costly or less intrusive methods for achieving the purpose of the proposed rule?
 - yes no
- 2. If yes, please briefly describe available, reasonable alternative(s) and the reasons for rejecting those alternatives in favor of the proposed rule. (Please see §25-43-4.104 for factors you must consider.)

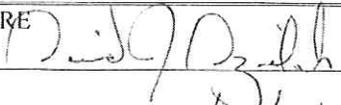
C. Data and Methodology

Please briefly describe the data and methodology you used in making the estimates required by this form. *The difference between the current payment methodology and the proposed payment methodology was calculated which shows an estimated cost savings to the Division of Medicaid. The difference between the current dispensing fee and the proposed dispensing fee was calculated which shows an estimated increased cost to the Division of Medicaid.*

D. Public Notice

Where, when, and how may someone present their views on the proposed rule and demand an oral proceeding on the proposed rule if one is not already provided?

Written comments will be received by the Division of Medicaid, Office of the Governor, Walter Sillers Building, Suite 1000, 550 High Street, Jackson, MS 39201, thirty (30) days from the date of publication of public notice. All comments will be available for public review at the above address.

SIGNATURE		TITLE	Executive Director
DATE	7/11/14	PROPOSED EFFECTIVE DATE OF RULE	10/01/2014