

NOTICE OF PROPOSED CHANGES IN THE REGULATIONS OF THE DEPARTMENT OF HEALTH AND SOCIAL SERVICES

BRIEF DESCRIPTION

The Department of Health and Social Services proposes to update the Medicaid Pharmacy Program's reimbursement methodology for covered drugs and make revisions to the definitions, coverage and payment of some products or services.

The Department of Health and Social Services proposes to adopt regulation changes in Title 7, Chapter 160, of the Alaska Administrative Code, dealing with Medicaid Pharmacy Program's reimbursement methodology, including the following:

1. 7 AAC 105.610, Recipient cost-sharing, is proposed to be amended to change the copayment amount for covered prescription medications
2. 7 AAC 120.110, Covered drugs and home infusion therapy, is proposed to be amended to clarify what medications do and do not qualify for coverage as a covered outpatient drug and establish the authority to designate one or more providers as the source for specialty medications. Additions and deletions have been proposed to the coverage of non-prescription medications. Language addressing additional reimbursements for mediset services has been deleted
3. 7 AAC 145.400, Covered drug payment rates and home infusion therapy drug rates, is proposed to be amended to revise medications that could be subject to a state maximum allowable cost, revise the processing of coordination of benefits claims, and revise the estimated acquisition cost for all pharmacy providers including providers obtaining medications through the 340B and Federal Supply Schedule drug purchasing programs. Clarifications have been added for the definition of the usual and customary price and the processing of postage fees
4. 7 AAC 145.410, Dispensing fee, is proposed to be amended to be based on a pharmacy's proximity to the road system with the assigned dispensing fees for all pharmacy providers being revised. Revisions have been made to dispensing provider's assigned dispensing fees and the rate for tobacco cessation counseling has been clarified. Language addressing additional reimbursements for mediset and clozapine management services has been deleted. Definitions have been added to clarify whether a pharmacy is located on or off the road system
5. 7 AAC 160.900, Requirements adopted by reference, is proposed to be amended to delete references that are no longer being referenced or that do not require being adopted by reference relating to federal regulations.

You may comment on these proposed regulation changes, including the potential costs to private persons of complying with the proposed changes, by submitting written comments to Chad Hope, Medicaid Pharmacy Program Manager, Department of Health and Social Services,

Division of Health Care Services, 4501 Business Park Blvd., Suite 24, Anchorage, AK 99524-0249; E-mail: chad.hope@alaska.gov

The comments must be received no later than 4:00 p.m. on October 23, 2012.

If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact Chad Hope at the address above or by phone at (907) 334-2654 no later than October 16, 2012 to ensure that any necessary accommodations can be provided.

For a copy of the proposed regulation changes, contact Chad Hope at the address, phone number, or E-mail address above, or go to the Department of Health and Social Services public notice website at: <http://hss.state.ak.us/apps/publicnotice/regulations.aspx>

After the public comment period ends, the Department of Health and Social Services will either adopt these or other provisions dealing with the same subject, without further notice, or decide to take no action on them. The language of the final regulations may be different from that of the proposed regulations. YOU SHOULD COMMENT DURING THE TIME ALLOWED IF YOUR INTERESTS COULD BE AFFECTED.

Statutory Authority: AS 47.05.010, AS 47.05.012, AS 47.07.020, AS 47.07.030, AS 47.07.040, AS 47.07.042.

Statutes Being Implemented, Interpreted, or Made Specific: AS 47.05.010, AS 47.05.012, AS 47.07.020, AS 47.07.030, AS 47.07.040, AS 47.07.042.

Fiscal Information: The proposed regulation changes are not expected to require an increased appropriation.

Date: 9/12/2012

/s/William J. Streur, Commissioner
Department of Health and Social Services

ADDITIONAL REGULATIONS NOTICE INFORMATION
(AS 44.62.190(d))

1. Adopting agency: Department of Health and Social Services
2. General subject of regulation: Medicaid Pharmacy Program's reimbursement methodology.
3. Citation of regulation (may be grouped): 7 AAC 105, 120, 145, 160.
4. Reason for the proposed action:
 - (X) compliance with federal law
 - () compliance with new or changed state statute
 - () compliance with court order
 - (X) development of program standards
 - () other: (please list)
5. RDU/component affected: Division of Health Care Services
6. Cost of implementation to the state agency and available funding (in thousands of dollars):

Initial Year Subsequent

	FY 13	Years
Operating Cost	\$0	\$0
Capital Cost	\$0	\$0
Federal receipts	\$0	\$0
General fund match	\$0	\$0
General fund	\$0	\$0
General fund/ program receipts	\$0	\$0
General fund/ mental health	\$0	\$0
Other funds (specify)	\$0	\$0

7. The name of the contact person for the regulations:

Chad Hope
 Division of Health Care Services
 4501 Business Park Blvd., Suite 24
 Anchorage, AK 99524-0249
 E-mail: chad.hope@alaska.gov

8. The origin of the proposed action:

☒ staff of state agency
☐ federal government
☐ general public
☐ petition for regulation change
☐ other (please list) _____

9. Date: 9/12/2012

Prepared by: _____/s/_____
 Kurt D. West
 Project Coordinator