

FEDERAL MEDICAID NOTICE
OHIO DEPARTMENT OF MEDICAID

Pursuant to 42 CFR 440.386 and 42 CFR 447.205, the director of the Ohio Department of Medicaid (department) gives initial notice of the department's intent to change its methods and standards for Medicaid payment for prescribed drugs.

House Bill 166, as passed by the 133rd General Assembly and codified at R.C. 5167.24, requires the Medicaid director to select a third-party administrator to serve as the single pharmacy benefit manager (SPBM) used by Medicaid managed care organizations under the care management system. After an extensive procurement process, Gainwell Technologies was selected as the single pharmacy benefit manager and will function as a Prepaid Ambulatory Health Plan (PAHP). The Ohio Department of Medicaid intends to fully implement the SPBM on or after July 1, 2022.

Pharmacy benefits for the Medicaid managed care population enrolled with the SPBM will be reimbursed based on a transparent pricing methodology incorporating a survey-based ingredient cost, plus a dispensing fee. Ingredient cost surveys will be conducted by the Pharmacy Pricing and Audit Consultant, Myers and Stauffer LC. All ingredient cost and dispensing fee rates will be reviewed and approved by the department to assure transparency and fairness in pharmacy reimbursement rates.

Implementation of this change in the methods and standards for setting payment rates is expected to decrease annual aggregate expenditures for prescribed drugs by approximately \$130 million.

The State assures compliance with 42 CFR 440.345 including full access to EPSDT services by requiring all Medicaid managed care organizations to provide EPSDT services under the terms of their contracts with the State, as required by 42 CFR 438.210(a)(2). Section 5006(e) of the American Recovery and Reinvestment Act of 2009 is not applicable to Ohio as there are no federally-recognized tribes in the State.

Any person may examine and obtain a copy of the changes, without charge, at the following locations*:

Ohio Department of Medicaid, 50 West Town Street, Fourth Floor, Columbus, Ohio 43215;

Any county department of job and family services; or

On the internet at <https://managedcare.medicaid.ohio.gov/wps/portal/gov/manc/managed-care/single-pharmacy-benefit-manager>.

Written comments regarding these changes may be sent to the Ohio Department of Medicaid, attn.: Sean Eckard, 50 West Town Street, Fourth Floor, Columbus, Ohio 43215-3414 and may be reviewed at the same location*. Comments may also be provided by e-mail at the following address: MedicaidSPBM@medicaid.ohio.gov. Comments must be received by October 1, 2021.

*If you would like to review the changes or written comments in person at the department or county, contact the department or county first to schedule an appointment, as office hours may be limited or revised from the usual schedule due to COVID-19.