

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



Center for Medicaid and CHIP Services
Disabled and Elderly Health Programs Group

Toby Douglas, Chief Deputy Director
California Department of Health Care Services
P.O. Box 997413, MS 0000
1501 Capitol Avenue
Sacramento, CA 95814

OCT 27 2011

Dear Mr. Douglas:

We have reviewed California State Plan Amendment (SPA) 11-003, Prescribed Drugs, received in the Regional Office on March 4, 2011. We are pleased to inform you that the amendment is approved, effective April 1, 2011.

This amendment removes adult strength non-legend acetaminophen containing products as a covered benefit. The SPA also adds language to the state plan clarifying continued coverage of smoking cessation products for pregnant women.

A copy of the CMS-179 form, as well as the pages approved for incorporation into the California's state plan will be forwarded by the San Francisco Regional Office. If you have any questions regarding this approval, please contact Steven Johnson at (410) 786-3332.

Sincerely,

A handwritten signature in black ink that reads "Larry Reed". The signature is written in a cursive style.

Larry Reed
Director
Division of Pharmacy

cc: Vanessa Baird, Deputy Director
Pilar Williams, Chief
Gloria Nagle, PhD, MPA, ARA San Francisco Regional Office
Beverly Binkier, San Francisco Regional Office
Rodd Mas, San Francisco Regional Office

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 11-003	2. STATE CA
FOR: HEALTH CARE FINANCING ADMINISTRATION		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE April 1, 2011	
5. TYPE OF PLAN MATERIAL (Check One): <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT			
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION: 42 USC 1396r-8(d)(2)(F)		7. FEDERAL BUDGET IMPACT: a. FFY 10-11 -\$1,591,250 (5 months) b. FFY 11-12 -\$3,819,000	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Supplement 2 , Attachment 3.1.A.1, Page 3 Supplement 2 , Attachment 3.1.B.1, Page 3		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Supplement 2 , Attachment 3.1.A.1, page 3 Supplement 2 , Attachment 3.1.B.1, page 3	
10. SUBJECT OF AMENDMENT: Removal of Adult Strength Non-Legend Acetaminophen Products As A Covered Benefit			
11. GOVERNOR'S REVIEW (Check One): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED The Governor's Office does not <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL wish to review the State Plan Amendment.			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: Department of Health Care Services Attn: State Plan Coordinator 1501 Capitol Avenue, Suite 71.3.26 P.O. Box 997417 Sacramento, CA 95899-7417	
13. TYPED NAME: Toby Douglas			
14. TITLE: Director			
15. DATE SUBMITTED: 3/4/2011			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 3/4/11		18. DATE APPROVED: 10/27/11	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 4/1/11		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: Gloria Nagle		22. TITLE: Associate Regional Administrator	
23. REMARKS:			

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State Agency California

**MEDICAID PROGRAM: REQUIREMENTS RELATING TO PAYMENT FOR COVERED
OUTPATIENT DRUGS FOR THE CATEGORICALLY NEEDY**

Citation (s)		Provision (s)
1927(d)(2) and 1935(d)(2)	X	(f) nonprescription drugs Some - as listed in the over-the-counter section of the Medi-Cal Contract Drug List http://files.medi-cal.ca.gov/pubsdoco/manual/man_query.asp?wSearch=%28%23filename+drugscdl%2A%2Edoc+OR+%23filename+drugscdl%2A%2Ezip%29&wFLogo=Contract+Drugs+List&wFLogoH=52&wFLogoW=516&wAlt=Contract+Drugs+List&wPath=N
	<input type="checkbox"/>	(g) covered outpatient drugs which the manufacturer seeks to require as a condition of sale that associated tests or monitoring services be purchased exclusively from the manufacturer or its designee (see specific drug categories below)
	X	(h) barbiturates (see specific drug categories below) All drugs in this category are potential benefits, subject to medical necessity.
	X	(i) benzodiazepines (see specific drug categories below) All drugs in this category are potential benefits, subject to medical necessity.
	X	(j) Medi-Cal will provide coverage of prescription and over-the counter (OTC) smoking/tobacco cessation covered outpatient drugs for pregnant women as recommended in "Treating Tobacco Use and Dependence -2008 Update: A Clinical Practice Guideline" published by the Public Health Service in May 2008 or any subsequent modification of such guideline

TN No. 11-003
Supersedes
TN No. 05-008

Approval Date: October 27, 2011 Effective Date: April 1, 2011

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State Agency California

**MEDICAID PROGRAM: REQUIREMENTS RELATING TO PAYMENT FOR COVERED
OUTPATIENT DRUGS FOR THE **MEDICALLY NEEDY****

Citation (s)		Provision (s)
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	<input type="checkbox"/>	(g) covered outpatient drugs which the manufacturer seeks to require as a condition of sale that associated tests or monitoring services be purchased exclusively from the manufacturer or its designee (see specific drug categories below)
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ENCLOSURE

Revised Pages for:
CALIFORNIA MEDICAID STATE PLAN
Under Transmittal of
STATE PLAN AMENDMENT (SPA)
11-003*

All new pages will have this SPA* number identified as the new TN No., so it will not be repeated for each new insert pages.

Remove Page(s)	Insert Page (s)
Attachment 3.1-A.1, page 3 (TN 05-008)	Attachment 3.1-A.1, page 3
Attachment 3.1-B.1, page 3 (TN 05-008)	Attachment 3.1-B.1, page 3