### Page X STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

### STATE/TERRITORY:

- A. In accordance with section 1916A(c) of the Social Security Act, alternative cost sharing will be implemented for non-preferred drugs to encourage the use of less costly effective drugs.
  - For individuals otherwise not subject to cost sharing as a result of section 1916A(b)(3)(B), the cost sharing charge for non-preferred drugs will not exceed a nominal amount as specified in section 1916 of the Act.
  - For individuals whose family income is at or below 150 percent of the Federal poverty level (FPL), cost sharing may not exceed a nominal amount.
  - For individuals whose family income is above 150 percent of the FPL, cost sharing charges will not exceed 20 percent of the cost of the drug. Cost sharing for non-preferred drugs counts toward the 5 percent aggregate cap.
- B. In the case of a drug that is identified by the State's Medicaid program as a non-preferred drug within a class, the cost sharing amount for the preferred drug will be charged for the non-preferred drug if the prescribing physician determines that the preferred drug for treatment of the same condition either would be less effective for the individual or would have adverse effects for the individual or both
- C. States may exclude specified drugs or classes of drugs from the non-preferred or preferred drug class.
- D. Cost sharing is implemented for non-preferred drugs for the following groups of beneficiaries as indicated below:

| TN No<br>Supersedes TN No                              |                     | te<br>roval Date                                 |
|--|---------------------|--|
| Individuals with family income at or below 150 percent |                     |  |
|  |                     | (including<br>monthly or<br>quarterly<br>period) |
| signify Group and meome                                | Thatmacy Cost share | Method of Family Income                          |
| Eligibility Group and Income                           | Pharmacy Cost Share | <u>Determining</u>                               |

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## $\label{eq:page-X} \textbf{STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT}$

STATE/TERRITORY:

of the FPL (must be nominal)

| TN No             | Effective Date |
|-------------------|----------------|
| Supersedes TN No. | Approval Date  |

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Individuals with family income above 150 percent of the FPL (must not exceed 20 percent of the cost of the drug)

Cost sharing for non-preferred drugs may be waived or reduced tonominal or below for the populations or services specified at section 1916A(b)(3) of the Act.

Provide a chart indicating the populations for which cost sharing will be waived and/or reduced.

E. Cost sharing for preferred drugs may not be charged for the populations or services specified at section 1916A(b)(3) of the Act.

| TN No             | Effective Date |  |
|-------------------|----------------|--|
| Supersedes TN No. | Approval Date  |  |
|                   |                |  |

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| F. Cost sharing          | g payment requirements:   |
|--------------------------|---|
| /                        | Providers are permitted to require, as a condition for the provision of prescriptions, the payment of cost sharing.   |
| G. Availab               | pility of Information   |
|                          | States must make available to the public and to beneficiaries the schedule of the cost-sharing/premium amounts for specific items and the various eligibility groups. |
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|                          |   |
| TN No<br>Supersedes TN 1 | Effective Date<br>No Approval Date  |

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