

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Department of Health Care Finance



Office of the Senior Deputy Director/Medicaid Director

Transmittal 22-26

TO: All interested Parties

FROM: Melisa Byrd
Senior Deputy Director and Medicaid Director

DATE: August 25, 2022

SUBJECT: Public Notice of Intent to Submit State Plan Amendment on Pharmacy Policies – Vaccines for Kids Administration Fee and Drug Utilization Review Lock-In Program.

The Department of Health Care Finance (DHCF) hereby gives notice of the intent to submit amendments to the District of Columbia State Plan for Medical Assistance (State Plan) to the Centers for Medicare and Medicaid Services (CMS) for review and approval to make changes to various pharmacy-related policies, including reimbursement for the administration fee associated with Vaccines For Children (VFC) program drugs, and minor changes to the Drug Utilization Review Lock-In Program to increase the amount of time a beneficiary has to request an appeal hearing.

This notice informs all interested parties of DHCF’s intent to submit the following State Plan Amendments (SPAs) to the District’s State Plan to CMS for review and approval. Outlined below are the changes DHCF intends to make to the State Plan, effective dates, and expected impact on Medicaid expenditures associated with these changes.

- DHCF intends to change reimbursement policies for vaccines and immunizations covered under the VFC program. If approved, this SPA will allow pharmacies enrolled in the VFC program to receive reimbursement for the administration fee associated with vaccines and immunizations covered under the program. The change to drug administration fee reimbursement will have an effective date of September 1, 2022. The District expects no financial impact from implementing this change.
- DHCF intends to make a change to the District’s Pharmacy Lock-In program. In 2019, the District established a Drug Utilization Review (DUR) Board in accordance with Section 1004 of the SUPPORT for Patients and Communities Act (P.L. 115-271). The Lock-In program identifies individuals who utilize Medicaid pharmacy services at a frequency or amount that is not deemed medically necessary by the DUR board. These individuals are restricted to obtaining drugs from a designated pharmacy for a limited amount of time.

When an individual is identified by the DUR Board as eligible for the Lock-In program, the individual has fifteen (15) days from the date of notice to submit a request for an appeal hearing to the Office of Administrative Hearings. The proposed change would extend the

time an individual has to submit an appeal hearing request from fifteen (15) days to ninety (90) days from the date of notice. The expected effective date for this change is October 1, 2022. The District expects no financial impact from implementing this change.

If you have any questions, please contact Mario Ramsey, Associate Director, Health Care Research and Policy Administration, Department of Health Care Finance at mario.ramsey@dc.gov.

Cc: DC Medical Care Advisory Committee Stakeholders
DC Hospital Association
DC Primary Care Association
DC Health Care Association
DC Home Health Association
DC Behavioral Health Association
DC Coalition of Disability Service Providers
Medical Society of DC