



STATE OF DELAWARE
STATE COUNCIL FOR PERSONS WITH DISABILITIES

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MEMORANDUM

DATE: May 18, 2015

TO: Ms. Sharon L. Summers, DMMA
Planning & Policy Development Unit

FROM: Daniese McMullin-Powell, Chairperson
State Council for Persons with Disabilities

RE: 18 DE Reg. 838 (DMMA Prop. Medicaid Plan Drug Rebate Regulation)

The State Council for Persons with Disabilities (SCPD) has reviewed the Department of Health and Social Services/Division of Medicaid and Medical Assistance's (DMMA) proposal to adopt a Medicaid State Plan amendment regarding the *Multi-State Purchasing Pool Supplemental Rebate Agreement (SRA)*. The proposed regulation was published as 18 DE Reg. 838 in the May 1, 2015 issue of the Register of Regulations.

As background, prescription drug manufacturers are required to enter into rebate agreements for drugs purchased through the Medicaid program. Both the federal government and state governments benefit from the rebates. Effective March 23, 2010, the Affordable Care Act extended the application of the prescription drug rebate program to drugs provided to Medicaid beneficiaries enrolled in Medicaid Managed Care Organizations (MCOs). In 2014, CMS approved Delaware's participation in a multi-state drug rebate program known as "TOP\$" for fee for service drugs. Qualification for drug rebates under "TOP\$" is available for drugs provided to MCO participants contingent upon Delaware adopting a Medicaid State Plan amendment. Based on the "Fiscal Impact Statement" on p. 840, it appears that Delaware would benefit from the extension of the rebate program to drugs provided to MCO participants.

Since qualifying for drug manufacturer rebates for Medicaid beneficiaries participating in the Delaware Medicaid managed care system should result in financial benefit to the State, the SCPD endorses the proposed regulation.

Thank you for your consideration and please contact SCPD if you have any questions or comments regarding our position on the proposed regulation.

cc: Mr. Stephen Groff
Mr. Brian Hartman, Esq.
Governor's Advisory Council for Exceptional Citizens
Developmental Disabilities Council