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OFFICE OF THE SECRETARY OF FAMILY AND SOCIAL SERVICES

**Public Notice Regarding Changes to Pharmacy Benefit Reimbursement**

In accordance with the public notice requirements of 42 CFR 447.205, the Indiana Family and Social Services Administration (FSSA) Office of Medicaid Policy and Planning (OMPP) publishes this notice of proposed changes to the Medicaid coverage of pharmacy reimbursement methodology.

Effective April 1, 2017, OMPP proposes to change reimbursement methodology by which the Indiana Medicaid fee-for-service pharmacy benefit reimburses for covered legend and nonlegend ("over-the-counter" or "OTC") drugs. This State Plan Amendment (SPA) also adds other information requested by the Centers for Medicare and Medicaid Services (CMS) for inclusion in the pharmacy state plan. These changes are required by federal law (CMS Covered Outpatient Drugs final rule, published January 21, 2016), and are subject to the approval of CMS.

It is estimated that the fiscal impact of these changes will be a decrease in state and federal expenditures of approximately \$5.85M for FFY 2018 (federal share of \$3.86M and state share of \$1.99M) and \$11.7M for FFY 2017 (federal share of \$7.72M and state share of \$3.98M).

Copies of the proposed SPA and this notice are available and may be inspected by contacting the local County Division of Family Resources office, except in Marion County, where public inspection may be made at 402 West Washington Street, Room W382, Indianapolis, Indiana.

The 30-day public comment period will run from March 1, 2017, to March 31, 2017. Comments may be sent via e-mail to [marc.shirley@fssa.in.gov](mailto:marc.shirley@fssa.in.gov) or via mail at:

Indiana Family and Social Services Administration  
Office of Medicaid Policy and Planning  
Attention: Marc Shirley  
RE: Comment on Notice Regarding Pharmacy Benefit Reimbursement  
402 West Washington Street, Room W374, MS07  
Indianapolis, IN 46204-7083

Additionally, in person consultations or phone calls are available upon request.

Jennifer Walthall, MD, MPH  
Secretary

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