




NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**
Division of Health Benefits

ROY COOPER • Governor
KODY H. KINSLEY • Secretary
JAY LUDLAM • Deputy Secretary, NC Medicaid

SIGNATURE REQUEST MEMORANDUM

TO: Jay Ludlam 
FROM: Betty J. Staton, SPA Manager
RE: State Plan Amendment

Title XIX, Social Security Act
Transmittal #2024-0012

Purpose

Attached for your review and signature is a Medicaid State Plan Amendment (Physician Administered Drug Program (PADP) summarized below, and submitted on January 12, 2024, with a due date of January 19, 2024.

Clearance

This amendment has been reviewed for both accuracy and completeness by:

Betty J. Staton, Emma Sandoe, Melanie Bush, Lotta Crabtree, Adam Levinson

Background and Summary of Request

It is recommended that you sign this State Plan Amendment submission per Centers for Medicare and Medicaid Services (CMS) protocol as head of the Single State Agency administering the Medicaid program.

Please find attached a State Plan Amendment (SPA) that allows North Carolina to remove language that set PADP reimbursement prices in 2015 and allows for rates to be updated.

The proposed effective date is February 01, 2024.

Your approval of this State Plan Amendment is requested. If you have any questions or concerns, please contact me at (919) 538-3215.

MEDICAL ASSISTANCE

State: NORTH CAROLINA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICE

12. Physician Administered Drug Program (PADP):

New physician administered drugs are reimbursed at the Average Sales Price (ASP) to follow Medicare pricing. If there is no ASP value available from Medicare, fees shall be established based on the lower of vendor specific National Drug Code (NDC) Average Wholesale Price (AWP) less ten percent (10%) pricing as determined using lowest generic product NDC, lowest brand product NDC or a reasonable value compared to other physician drugs currently on North Carolina's physician drug program list.

Per approved Section 12, page 1a.1 d. effective April 1, 2017, procedure coded professional or medical drug claims for blood clotting factor / hemophilia drugs shall be reimbursed based on the lesser of the State Maximum Allowable Cost (SMAC) or the billed amount.

Effective July 1, 2017, physician administered Long-Acting Reversible Contraceptive (LARC) non-340B drugs are reimbursed based on the lesser of the Wholesale Acquisition Cost (WAC) plus six percent (6%) or the billed amount.

Effective December 1st, 2022, physician administered LARCs, acquired utilizing the 340B program, will be calculated based on 340B ceiling price plus six percent (6%) and will be reimbursed based on the lesser of 106% 340B ceiling price or the billed amount. If 340B ceiling price is not available, then 340B LARC shall be reimbursed based on the 340B Actual Acquisition Cost plus six percent (6%).

Except as otherwise noted in the plan, State developed fee schedule rates are the same for both governmental and private providers of the physician drug program and the fee schedule and any annual/periodic adjustments to the fee schedules are published on the NC Division of Health Benefits Website.

TN No: 24-0012

Approval Date:

Effective Date: 02/01/2024

Supersedes

TN No: 22-0033