

DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, MD 21244-1850



Center for Medicaid & State Operations

MAR 23 2010

Disabled and Elderly Health Programs Group

Jim Edge
Administrator, DMAP
Division of Medical Assistance Programs
Department of Human Services
500 Summer Street NE E-35
Salem, Oregon 97301

Attention: Jesse Anderson, Title XIX Coordinator

Dear Mr. Edge:

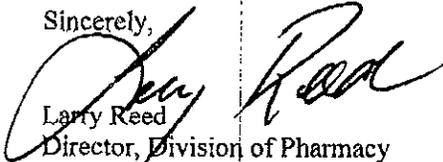
We have reviewed the State's proposed revisions to the Oregon Supplemental Rebate Agreement (SRA) for the Sovereign State Drug Consortium (SSDC) currently authorized by the Centers for Medicare & Medicaid Services (CMS) under the Oregon State plan amendment (SPA) 09-05 and determined that these changes do not require the submission of a SPA. The State's proposed revisions originally submitted to CMS on October 21, 2009 are as follows: revised section numbers and outline-formats; added new language to comply with the Americans with Disabilities Act; changed guaranteed net price from average wholesale price (AWP) to wholesale acquisition cost (WAC) for rebate calculations; added the definition for WAC and best price; corrected the number of days for notice to terminate an agreement between parties in one provision in order to ensure consistency with another provision; corrected a numbering error for a provision; and, as requested by CMS, provided clarification regarding aggregate expenditures for drugs with a Federal upper limit.

The SRA submission also includes complete names for acronyms, numeral to number word changes and fill-in the blank changes such as dates and individual contact information. Please note that we do not need to review these revisions to the template.

We believe that the Oregon SRA continues to be consistent with the objectives of the Medicaid program. The enclosed revised SRA submitted to CMS on March 3, 2010 is effective January 1, 2010. These revised SRA documents will replace the current SRA packet previously authorized by CMS under Oregon SPA 09-05. If changes are subsequently made to the SRA or its attachments, any such documents should be submitted to CMS for review and authorization.

The Seattle Regional Office is also being notified of this SRA revision by copy of this letter. If you should have any further questions or require additional information, please contact Bernadette Leeds at (410) 786-9463.

Sincerely,


Larry Reed
Director, Division of Pharmacy
Disabled & Elderly Health Programs Group

Enclosure

cc: Barbara Richards, ARA, Seattle Regional Office
Maria Garza, Seattle Regional Office