



Jack Dalrymple, Governor
Maggie D. Anderson, Executive Director

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September 1, 2016

Mr. Scott Davis
ND Indian Affairs Commission
600 E Boulevard Avenue
Bismarck ND 58505

Dear Mr. Davis:

This letter is regarding the Tribal Consultation between the North Dakota Department of Human Services and the North Dakota Indian tribes. The consultation process was established to ensure tribal governments are included in the decision making processes when proposed changes in the Medicaid or Children's Health Insurance Program(s) will directly impact the North Dakota Tribes and/or their tribal members.

Covered Outpatient Drug reimbursement methodology and Supplemental Drug Rebate collection on Managed Care claims:

The Medicaid State Plan will be amended, effective on or after October 1, 2016 to modify reimbursement for Covered Outpatient Drugs not dispensed by Indian Health Service, tribal and urban Indian pharmacies. The modification will result in the providers being paid at actual acquisition costs plus a professional dispensing fee of \$12.46 for prescriptions. This will allow the state to come into compliance with the federal regulations prior to the mandatory date of compliance.

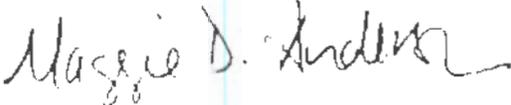
The Medicaid State Plan will also be amended, effective on or after October 1, 2016 to allow the state to collect supplemental rebates on covered outpatient drugs paid by Medicaid managed care organizations provided the provider of the services is not an Indian Health Service, tribal and urban Indian pharmacies. This will allow the state to increase the collection of drug rebates to more efficiently manage the program.

Please send comments, questions or concerns about the proposed State Plan amendments or waivers to my attention at 600 East Boulevard Avenue, Department 325, Bismarck, ND 58505. You may also send information via e-mail to me at manderson@nd.gov.

The Department appreciates the continued opportunity to work collaboratively with you to achieve the Department's mission, which is: "To provide quality, efficient, and effective human services, which improve the lives of people."

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Sincerely,

A handwritten signature in black ink that reads "Maggie D. Anderson". The signature is written in a cursive style with a long, sweeping underline.

Maggie D. Anderson, Executive Director
ND Department of Human Services