



State of Vermont
Agency of Human Services
280 State Drive, Center Building
Waterbury, VT 05671-1000

Global Commitment Register

November 30, 2022

GCR 22-002
PROPOSED

Reimbursement for High-Investment Carve-Out Drugs

Policy Summary:

The Vermont Medicaid program proposes to change the way it pays for high-cost inpatient drugs. Hospitals will be required to bill separately for a list of specified inpatient drugs, which will be known as the High-Investment Carve-Out Drug List. Prior authorization is required, and these drugs cannot be acquired through the 340B program. These inpatient drugs will be paid at the actual acquisition cost, and providers must submit an invoice documenting costs. The High-Investment Carve-Out Drug List will be available on the Department of Vermont Health Access (DVHA) website. The list is available below in the Additional Information section.

This change is being made to ensure that providers are being paid their actual cost for the drug and to allow the State to take advantage of available federal rebates.

In addition to billing the High-Investment Carve-Out Drug on a HCFA-1500 with the invoice, the inpatient claim should be billed separately, excluding the high-cost drug. The inpatient claim will pay using the standard Diagnosis-Related Group (DRG) methodology. DVHA will conduct a post-payment review to ensure the high-cost drug was only billed on the HCFA-1500. In the event of duplicate billing, the inpatient payment will be recouped, and the billing entity will be instructed to re-bill appropriately.

This prior authorization and billing process change will be submitted to the Centers for Medicare and Medicaid Services (CMS) for review and approval as State Plan Amendment # 22-0019.

Effective Date:

January 1, 2023

Authority/Legal Basis:

[Medicaid State Plan](#)

The change to reimbursement for these drugs is being done through Global Commitment to Health waiver authority, where DVHA may establish rates with providers on an individual or class basis without regard to the rates currently set forth in the approved State Plan.

[Global Commitment to Health Waiver](#): Waiver authority #5 [Section 1902(a)(13), 1902(a)(30)]; Special Term and Condition #6.8.

Population Affected:

All Medicaid

Fiscal Impact:

This change is expected to be budget neutral.

Public Comment Period:

November 30, 2022 – December 30, 2022

Send comments to:

Medicaid Policy Unit

280 State Drive, Center Building

Waterbury, VT 05671-1000

Or submit via e-mail to AHS.MedicaidPolicy@vermont.gov.

To be added to the GCR email list, send an email to AHS.MedicaidPolicy@vermont.gov.

Additional Information:

The draft SPA provides additional details on the proposed changes; copies of the draft SPA can be requested from local Department for Children and Families (DCF) offices or from the Department of Vermont Health Access (DVHA) at (802) 355-8843, or can be found on the [Agency of Human Services website](#).

High-Investment Carve-Out Drug List

HCPCS Code	Drug Name	Generic Name
J3399	ZOLGENSMA 2.6-3.0 KG	Onasemnogene Abeparvovec-xioi 2x8.3 ML Susp Kit
J2326	SPINRAZA	Nusinersen Intrathecal Soln 12 MG/5ML (2.4 MG/ML)
J3398	LUXTURNA	Voretigene Neparvovec-rzyl 5000000000000 VG/ML Intraoc Susp
Q2042	KYMRIAH	Tisagenlecleucel IV Susp 600,000,000 CELLS
Q2041	YESCARTA	Axicabtagene Ciloleucel IV Susp 200,000,000 CELLS
Q2053	TECARTUS	Brexucabtagene Autoleucel IV Susp 100,000,000 CELLS
Q2055	ABECMA	Idecabtagene Vicleucel IV Susp 460,000,000 CELLS
Q2056	Carvytki	Ciltacabtagene Autoleucel IV Susp 100,000,000 CELLS
Q2054	BREYANZI	Lisocabtagene Maraleucel IV Susp 70,000,000 CELLS