



Center for Medicaid and State Operations

December 8, 2004

Kevin W. Concannon
Director
Iowa Department of Human Services
Hoover State Office Building, 5th Floor
Des Moines, Iowa 50319

Dear Mr. Concannon:

We have reviewed Iowa's State Plan Amendment (SPA) 04-012 that allows for the use of a revised version of the state's model Medicaid supplemental rebate agreement. Based upon the information provided, we are pleased to inform you that SPA 04-012 is approved, effective November 15, 2004.

We have determined that the SPA, Preferred Drug List (PDL), Recommended Drug List (RDL) and supplemental rebate agreement are consistent with the objectives of the Medicaid program. The PDL, RDL, and supplemental rebate agreement are designed to increase the efficiency and economy of Medicaid operations and benefit the Medicaid population.

Please note that the approval of SPA 0-012 extends only to the model supplemental drug rebate agreement that was submitted to CMS on November 12, 2004 and which is specifically referenced in this SPA. If changes are subsequently made to that model drug rebate agreement, a new SPA and the revised agreement should be submitted to CMS for review and approval.

A copy of the CMS-179 form, as well as the pages approved for incorporation into the Iowa state plan will be forwarded by the Kansas City Regional Office. If you have any questions regarding this amendment, please contact Larry Reed at (410) 786-3325.

Sincerely,

/s/

Deirdre Duzor
Director
Division of Pharmacy
Disabled & Elderly Health Programs Group

cc: Tom Lenz, ARA, Kansas City Regional Office
Frank Campbell, Kansas City Regional Office