

**STATE OF CONNECTICUT  
DEPARTMENT OF SOCIAL SERVICES**

**Notice of Proposed Medicaid State Plan Amendment (SPA)**

**SPA 25-0014 Pharmacy Obesity Weight Loss Drug Coverage**

The State of Connecticut Department of Social Services (DSS) proposes to submit the following Medicaid State Plan Amendment (SPA) to the Centers for Medicare & Medicaid Services (CMS) within the U.S. Department of Health and Human Services (HHS). Public comment information is at the bottom of this document.

**Changes to Medicaid State Plan**

Effective on or after June 1, 2025, or upon CMS approval, whichever is later, SPA 25-0014 will amend Attachment 4.19-B in order to provide limited coverage of the Food and Drug Administration (FDA) approved weight loss medications to include orlistat, Xenical, and phentermine.

The purpose of this SPA is to address the statute requiring Medicaid to cover FDA approved weight loss medications for those individuals with a Body Mass Index (BMI) greater than 40 or HUSKY Health members with a BMI greater than 35 with diagnosed comorbid conditions.

**Fiscal Impact**

Overall, DSS anticipates that this SPA will increase annual aggregate expenditures by approximately \$504,008 in State Fiscal Year (SFY) 2025 and \$4,157,990 in SFY 2026.

**Obtaining SPA Language and Submitting Comments**

The proposed SPA is posted on the DSS Web site at this link: <https://portal.ct.gov/DSS/Health-And-Home-Care/Medicaid-State-Plan-Amendments>. The proposed SPA may also be obtained at any DSS resource center, at the Town of Vernon Social Services Department, or upon request from DSS (see below).

To request a copy of the SPA from DSS or to send comments about the SPA, please email: [Public.Comment.DSS@ct.gov](mailto:Public.Comment.DSS@ct.gov) or write to: Department of Social Services, Medical Policy Unit, 55 Farmington Avenue, 9th Floor, Hartford, CT 06105. Please reference "SPA 25-0014 Pharmacy Obesity Weight Loss Drug Coverage"

Anyone may send DSS written comments about this SPA. Written comments must be received by DSS at the above contact information no later than March 12, 2025.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
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- (12) Prescribed drugs, prosthetic devices and eyeglasses prescribed by a physician skilled in diseases of the eye or by an optometrist, whichever the individual may select.
- (a) Prescribed Drugs – ingredient cost methodology in accordance with the Actual Acquisition Cost (AAC) methodology.
1. Brand Name and Generic Drugs - Payment for covered outpatient legend dispensed by a retail community pharmacy will include the drug ingredient cost plus a \$10.75 professional dispensing fee. Reimbursement for the drug ingredient shall be the lowest of:
    - a. The usual and customary charge to the public or the pharmacy’s actual submitted ingredient cost;
    - b. The National Average Drug Acquisition Cost (NADAC) established by CMS;
    - c. The Affordable Care Act Federal Upper Limit (FUL); or
    - d. Wholesale Acquisition Cost (WAC) plus zero (0) percent when no NADAC is available for a specific drug.
  2. Compound Drugs - Claims for compound prescriptions, defined as two or more drugs mixed together where at least one ingredient is a covered outpatient drug, will receive a professional dispensing fee of \$10.75.
  3. Weight loss medications- Claims for orlistat, Xenical, and phentermine will be payable based on 1 above and will receive a professional dispensing fee of \$10.75.
- 2.4.340B Drug Pricing Program - Covered outpatient drugs purchased through the Federal Public Health Service’s 340B Drug Pricing Program (340B) by pharmacies that carve Medicaid into the 340B Drug Pricing Program shall be reimbursed at the 340B actual invoice price but no more than the 340B ceiling price plus a professional Dispensing Fee of \$10.75. 340B covered entities purchasing drugs outside of the 340B program will be reimbursed at the lesser of methodology, described in (12)(a), above, plus a professional dispensing fee of \$10.75. Pharmacies contracting with a 340B entity shall be reimbursed at the lesser of methodology, described in (12)(a), above, plus a professional dispensing fee of \$10.75.

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Supersedes  
17-0015

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The Department contracts with the following 340B pharmacies, which are reimbursed at the reimbursed at the 340B actual invoice price, plus a professional dispensing fee of \$10.75:

- Cornell Hill, NPI 1750423471
  - Arrow Prescription Center, NPI 1134128838
  - Charter Oak Health Center, NPI 1730397738
  - World Health Clinicians, NPI 1225376643
  - UMASS Memorial Medical Center, NPI 1831461086
  - Hartford Hospital Pharmacy, NPI 1790183515
4. Federal Supply Schedule (FSS) and Federally Qualified Health Centers (FQHC) - Facilities purchasing drugs through the FSS shall be reimbursed at their actual acquisition cost, plus the established professional dispensing fee of \$10.75.
5. Drugs Purchased at Nominal Price - Facilities purchasing drugs at Nominal Price (outside of 340B or FSS) shall be reimbursed at their actual acquisition cost, plus the professional dispensing fee of \$10.75.
6. Clotting Factors - Pharmacies and other entities dispensing Antihemophilic Factor products (Factor VII, VIII, IX and X products) will be reimbursed at the AAC plus 8 percent as reflected on the invoice submitted with the claim to the Department plus a professional dispensing fee of \$10.75. Clotting factor drugs purchased by Centers of Excellence and Hemophilia Treatment Centers under the 340B program will also be reimbursed at the AAC plus 8 percent as reflected on the invoice submitted with the claim to the Department plus a professional dispensing fee of \$10.75.
- b. Payment for the following drugs is not based on AAC.
1. Specialty Drugs - Specialty drugs, if not on the NADAC file, are reimbursed at WAC plus zero (0) percent plus a professional dispensing fee of \$10.75.
2. Physician-Administered Drugs - Reimbursement rates for drugs administered by physicians and other prescribers and at clinics are set forth on the physician and clinic fee schedules, effective for services provided on or after that date, except that procedure codes may be deleted or added and priced in order to remain compliant

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