

**PROVIDER ENROLLMENT AGREEMENT 340B AMENDMENT**  
**BETWEEN THE STATE OF VERMONT, DEPARTMENT OF VERMONT HEALTH ACCESS (DVHA) and**  
**\_\_\_\_\_ (insert provider name)**

**PURPOSE**

This amendment complies with the requirements of 42 C.F.R. 438.6 that require a Medicaid MCO (Managed Care Organization) to have contracts with its provider network.

**AMENDMENT**

This amendment is made between the Department of Vermont Health Access (hereinafter referred to as DVHA) and Providers participating in the DVHA’s 340B Shared Savings Program, under the 340B Drug Program initiated by 1992 Public Law 102-585.

This amendment shall supersede, in full, the current provider agreement under the 340B Program dated April 1, 2012.

**AGREEMENT**

**TERM**

1. The term of this agreement is a period of three (3) years to begin October 1, 2014, and end September 30, 2017.
2. The term 340B “acquisition cost” shall mean the price the purchaser paid for the drug at or below the ceiling price as referenced in 42 U.S.C. 256b (a)(1).
3. The term “340B Partner” shall mean a Medicaid-enrolled provider who has enrolled in the DVHA’s 340B Shared Savings Program.
4. The term “per claim” as found in paragraph 10.0 means per prescription line item.
5. The term “per compound claim” as found in paragraph 10.0 shall means per compounded prescription drug.
6. The term “covered entity” shall mean entities defined under 42 U.S.C. § 256b (a)(4).
7. The term “shared savings” shall mean “a percentage of the difference between: a) the sum of 340B acquisition cost and the 340B dispensing fees and b) total payments made on the claim by DVHA less estimated total pharmacy rebates

**PARTIES TO THE AGREEMENT**

8. The parties to this agreement are DVHA and a “covered entity”, \_\_\_\_\_  
(insert provider name) under the 340B Drug Program.

## **ENROLLMENT**

9. The 340B Partner agrees to all the following terms in order to enroll in the DVHA's 340B Shared Savings Program: (1) it shall enroll with the HRSA Office of Pharmacy Affairs (<http://www.hrsa.gov/opa/introduction.htm>); (2) it shall accurately represent its Medicaid Exclusion status; (3) if the 340B Partner is a hospital to complete a DVHA form to report whether the hospital is a disproportionate share hospital, a critical access hospital, or a sole community hospital ; (4) complete a DVHA Covered Entity Informational form at <http://www.vtmedicaid.com/downloads/forms.html>.

The parties agree that the four steps enumerated above are necessary for DVHA to comply with federal law that prohibits Medicaid agencies from obtaining federal rebates on 340B drugs.

## **CONSIDERATION**

10. In consideration for participation as a 340B Partner, the DVHA agrees to permit its 340B Partner compensation in addition to that of providers who participate in the Medicaid Pharmacy Program. The compensation for participation is \$15.00 (\$30.00 for compound) dispensing fee in addition to the lesser of: (1) \$3.00 per claim and \$30.00 per compound claim or (2) 10 percent of the shared savings as defined above. The additional compensation is calculated based upon the process provided in paragraph 11 below.

## **RECONCILIATION PROCESS**

11. To enable DVHA and the 340B Partner to participate in this agreement, the 340B Partner agrees to the following reconciliation process: (1) 340B Partner will accept a monthly 340B utilization file in Excel format, (2) the 340B Partner will indicate by claim what prescriptions are eligible for 340B pricing, (3) the 340B Partner will indicate the acquisition cost for each prescription as of the date of service, (4) the 340B Partner will return the Excel utilization file to DVHA within thirty calendar (30) days of receipt by the 340B Partner.

By submitting the reconciliation in paragraph (11) of this agreement, the 340B Partner certifies that the patient has received the drug and that the drug qualifies for 340B pricing under the rules of the 340B program. The DVHA promises it has not and will not, seek a rebate for any drug on the reconciliation list certified by the 340B Partner.

## **PAYMENT**

12. DVHA will calculate the consideration in paragraph 10 using the reconciliation process in paragraph 11. The result will be an invoice to the partner. The 340B Partner agrees to pay the invoice sent by DVHA within thirty (30) calendar days of receipt by the 340B partner. Upon receipt of payment, DVHA will issue the amount due under the shared savings calculation to the 340B partner.

**AUDITING**

- 13.0 As required under 42 CFR 431.107, the 340B Partner shall keep such records as are necessary to disclose fully the extent of services provided to Members and shall furnish, without cost, records and information regarding any claim for providing such service to DVHA, the Vermont Attorney General’s Medicaid Fraud Control Unit (MFRAU hereafter), and the U.S. Secretary of Health and Human Services (Secretary hereafter). The 340B Partner agrees to keep records to disclose the services it provides for seven years from the date of service. The 340B Partner shall not destroy or dispose of records, which are under audit, review or investigation when the seven-year limitation is met. The 340B Partner shall maintain such records until informed in writing by the auditing, reviewing or investigating agency that the audit, review or investigation is complete.
- 13.1 Authorized representatives of DVHA, MFRAU, and the Secretary shall have the right to make physical inspection of a 340B Partner’s place of business and to examine records relating to financial statements or claims submitted by 340B Partner under this Agreement and to audit PROVIDER’s financial records as provided by 42 CFR 431.107. If the 340B Partner fails to submit records to DVHA or its agent within reasonable specified timeframes, all DVHA payments to 340B Partner may be suspended until records are submitted.
- 13.2 Pursuant to 32 V.S.A. § 163, DVHA and the Vermont State Auditor of Accounts shall have the right to examine a 340B Partner’s books, records, documents, accounting procedures, practices, or any other items relevant to this Agreement.

**TERMINATION**

- 14.0 This Agreement may be terminated by three methods: (i) either party may terminate this Agreement for cause with a thirty-day written notice to the other party; (ii) either party may terminate this agreement without cause with a sixty-day written notice to the other party; or (iii) DVHA may terminate the Agreement immediately (a) to protect the health and safety of Members, (b) upon evidence of fraud, (c) pursuant to a violation of the terms in paragraphs 8, 9, 10, 11 and 12.
- 14.1 In the unlikely event that funding of DVHA from State, Federal or other sources is withdrawn, reduced, or limited in any way after the effective date of this Agreement and prior to the anticipated Agreement expiration date, this Agreement may be terminated immediately by DVHA.

It is agreed this \_\_\_\_\_ day of \_\_\_\_\_ 2015.

\_\_\_\_\_  
340B Partner

\_\_\_\_\_  
DVHA