



Commonwealth of Massachusetts
Executive Office of Health and Human Services
Office of Medicaid
www.mass.gov/masshealth

Managed Care Entity Bulletin 109

DATE: January 2024

TO: Managed Care Entities Participating in MassHealth

FROM: Mike Levine, Assistant Secretary for MassHealth

RE: **Obesity Drugs and the 340B Drug Pricing Program**

Applicable Managed Care Entities and PACE Organizations

- ☒ Accountable Care Partnership Plans (ACPPs)
- ☒ Managed Care Organizations (MCOs)
- ☐ MassHealth's behavioral health vendor
- ☒ One Care Plans
- ☒ Senior Care Organizations (SCOs)
- ☐ Program of All-inclusive Care for the Elderly (PACE) Organizations

Summary

This bulletin relates to certain drugs that may be used for the treatment of obesity that a provider purchased through the 340B Drug Pricing Program (340B stock). The bulletin applies to Accountable Care Partnership Plans (ACPPs), Managed Care Organizations (MCOs), One Care Plans, and Senior Care Organizations (SCOs) (collectively referred to as “Managed Care Entities”).

Effective April 1, 2024, the Executive Office of Health and Human Services (EOHHS) is directing Managed Care Entities not to pay for the drugs listed in the section below if those drugs are purchased through the 340B Drug Pricing Program. Managed Care Entities may pay for the listed drugs only when providers use non-340B stock..

This policy applies only to MassHealth members. Managed Care Entities' provision of 340B stock for these drugs to individuals who are not MassHealth members is not affected by this bulletin.

Payment for GLP-1 Agonist Drugs That May Be Used in the Treatment of Obesity

Section 2.7.B.5.b of the First Amended and Restated Accountable Care Partnership Plan Contract for the MassHealth Accountable Care Organization Program and Section 2.7.B.5.b of the Sixth Amended and Restated MassHealth Managed Care Organization Contract require the following of the ACPPs and MCOs:

With respect to drugs and drug classes specified by EOHHS, provide coverage in a manner that maximizes EOHHS's ability to collect drug rebates, including but not limited to excluding such drugs and drug classes from reimbursement through the Contractor's 340B program, as further specified by EOHHS;

Similar contract language will be added to the One Care and SCO contracts in upcoming amendments.

To maximize EOHHS's ability to collect drug rebates on the following drugs, EOHHS is directing Managed Care Entities to not pay for the following drugs if the provider uses 340B stock:

- Saxenda® (liraglutide)
- Victoza® (liraglutide)
- Ozempic® (semaglutide)
- Rybelsus® (semaglutide)
- Wegovy® (semaglutide)
- Mounjaro® (tirzepatide)*
- Zepbound® (tirzepatide)*

*Tirzepatide is a glucose-dependent insulintropic polypeptide (GIP) receptor and glucagon-like peptide-1 (GLP-1) receptor agonist.

Effective April 1, 2024, Managed Care Entities may pay for the drugs designated above only when providers use non-340B stock.

MassHealth Website

This bulletin is available on the [MassHealth Provider Bulletins](#) web page.

[Sign up](#) to receive email alerts when MassHealth issues new bulletins and transmittal letters.

Questions

If you have questions about the information in this bulletin, please

- Contact the MassHealth Customer Service Center at (800) 841-2900, TDD/TTY: 711, or
- Email your inquiry to provider@masshealthquestions.com.

 [MassHealth on Facebook](#)  [MassHealth on X \(Twitter\)](#)  [MassHealth on YouTube](#)