

Department of Health & Human Services
Centers for Medicare & Medicaid Services
26 Federal Plaza, Room 37-100 North
New York, NY 10278

CMS

CENTERS for MEDICARE & MEDICAID SERVICES

May 31, 2012

Valerie Harr, Director
Division of Medicaid Assistance and Health Services
Department of Human Services
P.O. Box 71, #26
Trenton, New Jersey 08625

Dear Mrs. Harr:

We have received a copy of Larry Reed's letter to you, in which he notified you of the approval of New Jersey's State Plan Amendment (SPA) 11-03. This SPA establishes a State Maximum Allowable Cost (MAC) program, also called a State Upper Limit (SUL), at 150% of the lowest pharmacy acquisition cost. Additionally, this amendment clarifies the coverage for Methadone.

Mr. Reed advised you that the New York Regional Office would forward you the signed CMS-179 form as well as copies of the approved pages. These documents are enclosed. The revised pages of Attachment 3.1.-A, 3.1-B and 4.19-B submitted to our office on April 9, 2012 have replaced the corresponding pages that were originally submitted.

Please note the approval date of the SPA is May 31, 2012 and the effective date is May 19, 2011.

If you have any questions, please contact Ana J. Balbuena at (212) 616-2410.

Sincerely,



Michael Melendez
Associate Regional Administrator
Division of Medicaid and Children's Health

cc. Terry Simananda, CMS Division of Pharmacy
Julie Hubbs, NJ Regulatory Officer