



*Published by the
N.J. Dept. of Human Services,
Div. of Medical Assistance & Health Services
& the N.J. Dept. of Health & Senior Services
Div. of Consumer Support*

Newsletter

Volume 11 No. 19

MARCH 2001

TO: Providers of Pharmaceutical Services – For Action
Health Maintenance Organizations – For Information Only

SUBJECT: **Notification of Medicaid Drug Federal Upper Limit of Payment for Maximum Allowable Cost (MAC) Drugs (APPENDIX B)**

EFFECTIVE: Claims with service dates on or after January 26, 2001

ACTION: As a result of changes in the marketplace, generic versions of the following drug product are **no longer** available at or below the Medicaid Drug Federal Upper Limit of Payment. Consequently, the Medicaid MAC is suspended for the following product:

GENERIC NAME	BRAND NAME
PROPOXYPHENE HYDROCHLORIDE 65 MG, CAPSULE, ORAL, 100	Darvon

Reimbursement by the New Jersey Medicaid/NJ FamilyCare, Pharmaceutical Assistance to the Aged and Disabled (PAAD) General Assistance (GA), and Cystic Fibrosis Drug (CFD) programs for fee-for-service pharmaceutical claims for the above drug will be based on the lower of a drug's Average Wholesale Price (AWP) minus a 10% volume discount, plus a dispensing fee (if applicable); or a provider's usual and customary charge.

If you have any questions regarding this Newsletter, please contact the Chief, Pharmaceutical Services, Division of Medical Assistance and Health Services, at (609) 588-2724, or the Unisys Pharmacy Consultant at (609) 588-6039.

If you have any questions regarding PAAD, ADDP or CF, please contact Pharmacy Consultant, Office of Support Services for the Aged, Department of Health and Senior Services at 609 588-7640.

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