

TO: Providers of Pharmaceutical Services

SUBJECT: Notification of Price Increase in the Medicaid Drug Federal Upper Limit

EFFECTIVE: February 4, 1994

ACTION: As a result of recent price changes in the pharmaceutical marketplace, the Upper Limit for the following drug product has been increased:

<u>Generic Name</u>	<u>Brand Name</u>	<u>New Medicaid Upper Limit</u>
Hydrocortisone; Neomycin Sulfate; Polymixin B Sulfate 1%; Eq. 3.5 mg base/ml; 10,000 units/ml Suspension, Otic 10 ml	Cortisporin Otic Suspension	\$ 0.0450

Reimbursement by the New Jersey Medicaid program (Medicaid), Pharmaceutical Assistance to the Aged and Disabled (PAAD) program, General Assistance (GA) program, Cystic Fibrosis Drug (CFD) program, Garden State Health Plan (GSHP), and AIDS Drug Distribution program (ADDP) for pharmaceutical claims for the above drugs will be based on the lower of Average Wholesale Price (AWP) minus regression (discounts) category, (if applicable), plus dispensing fee, the Medicaid Upper Limit (MAC) price plus dispensing fee, or Usual and Customary Charge.

If there are any questions concerning this Newsletter, please contact the New Jersey Medicaid program's, Chief, Pharmaceutical Services, at (609) 588-2724.

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