

TO: Providers of Pharmaceutical Services

SUBJECT: Federal Medicaid Upper Limits (MAC)

ACTION:

1. Effective July 1, 1994

As a result of recent price changes in the pharmaceutical marketplace, the drug listed below is no longer available at or below the Federal Medicaid Upper Limit (MAC). Therefore, the Federal Medicaid Upper Limit (MAC) has been increased for the following drug product.

<u>Generic Name</u>	<u>Brand Name</u>	<u>New MAC Price</u>
Hydrocortisone; Neomycin Sulfate; Polymyxin B Sulfate 1%; Eq. 3.5 mg base/ml; 10,000 units/ml Suspension; Otic 10 ml	Cortisporin Otic Suspension	\$ 0.7130

2. Effective July 22, 1994

As a result of recent price changes in the pharmaceutical marketplace, the drug listed below is no longer available to pharmacists at prices below the Federal Medicaid Upper Limit. Therefore, the following drug is no longer subject to a Federal Medicaid Upper Limit (MAC) for reimbursement.

<u>Generic Name</u>	<u>Brand Name</u>
Chloramphenicol 1%; Ointment, Ophthalmic 3.5 gm	Chloromycetin

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 drug will be based on the lower of Average Wholesale Price (AWP) minus regression (discounts) category, (if applicable), plus dispensing fee or Usual and Customary Charge.

To properly maintain your Manual:

* Note to the Providers of Pharmaceutical Services:

Remove the following pages:
(APPENDIX B)

Page 5 (Rev. 7/94)
Page 6 (Rev. 7/94)
Page 11 (Rev. 7/94)
Page 12 (Rev. 7/94)

Insert the following pages:
(APPENDIX B)

Page 5 (Rev. 8/94)
Page 6 (Rev. 7/94)
Page 11 (Rev. 7/94)
Page 12 (Rev. 8/94)

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

RETAIN THIS NEWSLETTER NUMERICALLY BEHIND THE NEWSLETTER TAB
(BLUE TAB MARKED "5")