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State/Territory Name: New Jersey

State Plan Amendment (SPA)#:NJ-24-0023

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-14-26
Baltimore, Maryland 21244-1850



Center for Medicaid and CHIP Services

Medical Benefits Health Programs Group

March 11, 2025

Gregory Woods
Assistant Commissioner
Division of Medical Assistance and Health Services
P.O. Box 712, Mail Code #26
Trenton, NJ 08625-0712

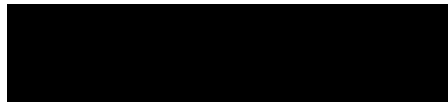
Dear Gregory Woods,

The CMS Division of Pharmacy team has reviewed New Jersey's State Plan Amendment (SPA) 24-0023 received in the CMS Medicaid Services OneMAC application on December 30, 2024. This SPA proposes to allow coverage of select prescribed drugs that do not meet the definition of covered outpatient drugs. This SPA also proposes to reimburse prescribed drugs with the same reimbursement methodologies as covered outpatient drugs.

Based on the information provided and consistent with the regulations at 42 CFR 430.20, we are pleased to inform you that SPA 24-0023 is approved with an effective date of October 1, 2024. Our review was limited to the materials necessary to evaluate the SPA under applicable federal laws and regulations.

We are attaching a copy of the signed CMS-179 form, as well as the page approved for incorporation into New Jersey's state plan. If you have any questions regarding this amendment, please contact Charlotte Hammond at (410) 786-1092 or charlotte.hammond@cms.hhs.gov.

Sincerely,



Cynthia Denmark
Director
Division of Pharmacy

cc: Julie Hubbs, State Plan Amendment Coordinator, New Jersey
Terri Fraser, CMS, Medicaid and CHIP Operations Group

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER <u>2 4 — 0 0 2 3</u>	2. STATE <u>N J</u>
3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT <input checked="" type="radio"/> XIX <input type="radio"/> XXI	

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
October 1, 2024

5. FEDERAL STATUTE/REGULATION CITATION
42 C.F.R. 447

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY 2024 \$ 0
b. FFY 2025 \$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
**Addendum to Attachment 3.1-A Page 12(a).3
Attachment 4.19-B Page 10**

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)
**same
same**

9. SUBJECT OF AMENDMENT

Coverage of Emergency Use Authorization (EUA) Drugs

10. GOVERNOR'S REVIEW (Check One)

GOVERNOR'S OFFICE REPORTED NO COMMENT
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED:

12. TYPED NAME
Sarah Adelman

13. TITLE
Commissioner, Department of Human Services

14. DATE SUBMITTED
12/30/24

15. RETURN TO
**Gregory Woods, Assistant Commissioner
Division of Medical Assistance and Health Services
P.O. Box 712, Mail Code #26
Trenton, NJ 08625-0712**

FOR CMS USE ONLY

16. DATE RECEIVED
12/30/2024

17. DATE APPROVED
3/11/2025

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
10/01/2024

19. **[REDACTED]**

20. TYPED NAME OF APPROVING OFFICIAL
CYNTHIA DENEMARK

21. TITLE OF APPROVING OFFICIAL
DIRECTOR, DIVISION OF PHARMACY

22. REMARKS

INSTRUCTIONS FOR COMPLETING FORM CMS-179

Use Form CMS-179 to transmit State plan material to the Center for Medicaid & CHIP Services for approval. Submit a separate **typed** transmittal form with each plan/amendment.

Block 1 - Transmittal Number - Enter the State Plan Amendment transmittal number. Assign consecutive numbers on a **calendar year** basis with the first two digits being the two-digit year (e.g., 21-0001, 21-0002, etc.). Because states have different state fiscal years, a calendar year is required for consistency.

Block 2 - State - Enter the two-letter abbreviation code of the State/District/Territory submitting the plan material.

Block 3 - Program Identification - Enter the applicable Title of the Social Security Act (Title XIX Medicaid or Title XXI CHIP).

Block 4 - Proposed Effective Date - Enter the proposed effective date of material. The effective date of a new plan may not be earlier than the first day of the calendar quarter in which an approvable plan is submitted. With respect to expenditures for assistance under such plan, the effective date may not be earlier than the first day on which the plan is in operation on a statewide basis or earlier than the day following publication of notice of changes.

Block 5 - Federal Statute/Regulation Citation - Enter the appropriate statutory/regulatory citation.

Block 6 - Federal Budget Impact - 6(a) - IN WHOLE DOLLARS, NOT IN THOUSANDS, Enter 1st **Federal Fiscal Year** (FFY) impacted by the SPA & estimated Federal share of the cost of the SPA for 1st FFY. The first FFY should be the FFY inclusive of the earliest effective date of any amended payment language; **6 (b)** - Enter 2nd FFY impacted by the SPA & estimated Federal share of the cost for 2nd FFY. In general, the estimates should include any amount not currently approved in the state's plan for assistance.

Block 7 - Page No.(s) of Plan Section or Attachment - Enter the page number(s) of plan material amended and transmitted. If additional space is needed, use bond paper. **New pages** should be included in Block 7, but not in Block 8.

Block 8 - Page No.(s) of the Superseded Plan Section or Attachment (if Applicable) - Enter the page number(s) (including the transmittal number) that is being superseded. If additional space is needed, use bond paper. **Deleted pages** should be included in Block 8, but not in Block 7.

Block 9 - Subject of Amendment - Briefly describe plan material being transmitted.

Block 10 - Governor's Review - Check the appropriate box. See SMM section 13026 A.

Block 11 - Signature of State Agency Official - Authorized State official signs this block.

Block 12 - Typed Name - Type name of State official who signed block 11.

Block 13 - Title - Type title of State official who signed block 11.

Block 14 - Date Submitted - Enter the date that the state transmits plan material to CMCS. Unless the state officially withdraws this SPA and then resubmits it, this date should not be revised. Documentation of version revisions will be maintained in the CMCS administrative record.

Block 15 - Return To - Type the name and address of State official to whom this form should be returned.

Block 16–22 (FOR CMS USE ONLY).

Block 16 - Date Received - Enter the date plan material is received by CMCS. This is the date that the submission is received by CMCS via the subscribed submission process.

Block 17 - Date Approved - Enter the date CMCS approved the plan material.

Block 18 - Effective Date of Approved Material - Enter the date the plan material becomes effective. If more than one effective date, list each provision and its effective date in Block 22 or attach a sheet.

Block 19 - Signature of Approving Official - Approving official signs this block.

Block 20 - Typed Name of Approving Official - Type approving official's name.

Block 21 - Title of Approving Official - Type approving official's title.

Block 22 - Remarks - Use this block to reference and explain agreed to changes and strike-throughs to the original CMS-179 as submitted, a partial approval, more than one effective date, etc. If additional space is needed, use bond paper.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE OF NEW JERSEY

**LIMITATIONS ON AMOUNT, DURATION AND SCOPE OF SERVICES PROVIDED
TO THE CATEGORICALLY NEEDY**

Covered outpatient drugs are limited to those drug products manufactured by drug companies that have entered into and comply with the federal Medicaid Drug Rebate Agreement, as provided under Section 1927(a) through (c) of the Act, which are prescribed for a medically accepted diagnostic indication (as provided by Section 1927(d) of the Act.

Select prescribed drugs that do not meet the definition of covered outpatient drugs are covered as listed on the State's website.

Prescribed drugs that are not covered outpatient drugs (including drugs authorized for import by the Food and Drug Administration) are covered when medically necessary during drug shortages identified by the Food and Drug Administration.

With the exception of the Mandatory Generic Drug Substitution Program, the Medicaid agency shall provide coverage for up to six (6) days emergency supply of medications without prior authorization when authorization is required.

Effective January 1, 2006, the Medicaid agency does not cover any Part D-covered drug for full-benefit dual eligible individuals who are entitled to receive Medicare benefits under Part A or Part B.

The Medicaid agency provides outpatient drug coverage for the following Medicare Part D excluded or otherwise restricted drugs or classes of drugs, or their medical uses, for all full benefit dual eligibles:

- (a) legend vitamins and mineral products

24-0023-MA (NJ)

TN: 24-0023

Approval Date: 3/11/2025

Supersedes: 24-0007

Effective Date: 10/1/24

**STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
STATE OF NEW JERSEY
REIMBURSEMENT FOR PHARMACEUTICAL SERVICES**

1.16 Covered Outpatient Drug – 340B Payment Methodologies

Select prescribed drugs that do not meet the definition of covered outpatient drugs will be reimbursed at the same rate as covered outpatient drugs

(a) The Department shall reimburse 340B purchased drugs at no more than the ceiling price, plus a professional dispensing fee. In the absence of a ceiling price, the Department shall reimburse 340B purchased drugs at Wholesale Acquisition Cost (WAC) less twenty-five (25) percent for the NDC of the drug.

(b) Drugs acquired through the federal 340B drug pricing program and dispensed by 340B-contract pharmacies are not covered.

(c) Reimbursement to covered entities for drugs purchased outside of the 340B drug pricing program shall be the Actual Acquisition Cost (AAC) plus a professional dispensing fee.

24-0023 MA (NJ)

TN: 24-0023

Approval Date: 3/11/2025

Supersedes: 17-0002

Effective Date: 10/1/24

