

## **Table of Contents**

**State/Territory Name: New Jersey**

**State Plan Amendment (SPA) #: 25-0012**

This file contains the following documents in the order listed:

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

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
601 E. 12th St., Room 355  
Kansas City, Missouri 64106



Medicaid and CHIP Operations Group

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December 8, 2025

Gregory Woods  
Assistant Commissioner  
DMAHS  
P.O. Box 712, Mail Code #26  
Trenton, NJ 08625-0712

Re: New Jersey State Plan Amendment (SPA) - 25-0012

Dear Assistant Commissioner Woods:

The Centers for Medicare & Medicaid Services (CMS) reviewed your Medicaid State Plan Amendment (SPA) submitted under transmittal number (TN) 25-0012. This amendment proposes to cover and reimburse over-the-counter COVID-19 test kits when recommended and prescribed by a physician or other licensed practitioner.

We conducted our review of your submittal according to statutory requirements, section 1905(a)(13), in Title XIX of the Social Security Act and implementing regulations, 42 C.F.R. §440.130(c). This letter informs you that New Jersey's Medicaid SPA TN 25-0012 was approved on December 8, 2025, effective August 1, 2025.

Enclosed are copies of Form CMS-179 and approved SPA pages to be incorporated into the New Jersey State Plan.

If you have any questions, please contact Terri Fraser at (410) 786-5573 or via email at [Terri.Fraser@cms.hhs.gov](mailto:Terri.Fraser@cms.hhs.gov).

Sincerely,

A solid black rectangular box redacting the signature of Wendy E. Hill Petras.

Wendy E. Hill Petras, Acting Director  
Division of Program Operations

Enclosures

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

1. TRANSMITTAL NUMBER

2 5 — 0 0 1 2

2. STATE

NJ3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL  
SECURITY ACT

XIX



XXI

TO: CENTER DIRECTOR

CENTERS FOR MEDICAID &amp; CHIP SERVICES

DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

August 1, 2025

5. FEDERAL STATUTE/REGULATION CITATION

42 C.F.R. Section 440.130(c)

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2025\$ 851b. FFY 2026\$ 3,403

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Addendum to Attachment 3.1-A Page 13(c)(2k)

~~Addendum to Attachment 4.19B Page 28.8~~ Attachment 4.19-B Page 28.8

Addendum to Attachment 3.1-B Page 13(c)(2c3)

Attachment 4.19B Page 10

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

new

new

new

#240023 Attachment 4.19B Page 10

9. SUBJECT OF AMENDMENT

COVID-19 Over the Counter at home test Kits

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:

11. SIGNATURE OF STATE AGENCY OFFICIAL



12. TYPED NAME

Sarah Adelman

13. TITLE

Commissioner, Department of Human Services

14. DATE SUBMITTED

9/26/25

15. RETURN TO

Gregory Woods, Assistant Commissioner

Division of Medical Assistance and Health Services

P.O. Box 712, Mail Code #26

Trenton, NJ 086250712

## FOR CMS USE ONLY

16. DATE RECEIVED

09/26/2025

17. DATE APPROVED

12/08/2025

## PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL

08/01/2025

20. TYPED NAME OF APPROVING OFFICIAL

Wendy E. Hill Petras

21. TITLE OF APPROVING OFFICIAL

Acting Director, Division of Program Operations

22. REMARKS

11/3/25 - Per the state's 10/31 email P&amp;I changes in boxes 7 &amp; 8. (TF)

**STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT**  
**Limitations on Amount, Duration and Scope of Services Provided to the**  
**Categorically Needy**

13(c) Preventive Services: FDA-authorized Over the Counter COVID-19 At-Home Test Kits

**General Description:**

Pursuant to 42 C.F.R. Section 440.130(c), FDA-authorized Over the counter (OTC) COVID-19 at-home test kits are provided as preventive services and must be recommended by a physician or other licensed practitioner of the healing arts within his or her scope of practice under state law to prevent disease, disability, and other health conditions or their progression; and/or promote the physical and mental health of the beneficiary.

**Service Description:**

New Jersey provides FDA-authorized Over the counter COVID-19 at-home test kits to beneficiaries when recommended by a physician or other licensed practitioner and dispensed at a pharmacy.

**Qualified Provider Specifications:**

FDA-authorized Over the counter COVID-19 at-home test kits shall be dispensed by licensed pharmacists as recommended by a physician or other licensed practitioner.

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25-0012-MA (NJ)

TN: 25-0012-MA

Approval Date: 12/08/2025

Supersedes: NEW

Effective Date: 08/01/2025

**STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT**  
**Limitations on Amount, Duration and Scope of Services**  
**Provided to Medically Needy Groups**  
**PREGNANT WOMEN, DEPENDENT CHILDREN, AND THE AGED, BLIND, OR**  
**DISABLED**

13(c) Preventive Services: FDA-authorized over the Counter COVID-19 At-Home Test Kits

Coverage of FDA-authorized Over the Counter COVID-19 at-home test kits for Medically Needy Groups is identical to coverage of FDA-authorized Over the Counter COVID-19 at-home test kits for the Categorically Needy, as set forth in Addendum to Attachment 3.1-A (13)(c)(2k).

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25-0012-MA (NJ)

TN: 25-0012-MA

Approval Date: 12/08/2025

Supersedes: NEW

Effective Date: 08/01/2025

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

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

**1.16 Covered Outpatient Drug – 340B Payment Methodologies**

(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.

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25-0012 MA (NJ)

TN: 25-0012

Approval Date: 12/08/2025

Supersedes: 24-0023

Effective Date: 08/01/2025

**STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT**  
**METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES FOR NON**  
**INSTITUTIONAL SERVICES**

Reimbursement for Preventive Services: FDA-authorized Over the Counter COVID-19  
At-Home Test Kits

FDA-authorized Over the counter Covid-19 at home test kits dispensed at the pharmacy will be reimbursed using the same methodology as other pharmaceuticals dispensed under the pharmacy benefit on page Attachment 4.19-B Page 10, 10a, and 10b of the State Plan effective August 1, 2025.

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25-0012-MA (NJ)

TN: 25-0012-MA

Approval Date: 12/08/2025

Supersedes: NEW

Effective Date: 08/01/2025