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State/Territory Name: New Jersey

State Plan Amendment (SPA)#: 26-0003

This file contains the following documents in the order listed

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

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



Medicaid Benefits and Health Programs Group

April 28, 2026

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

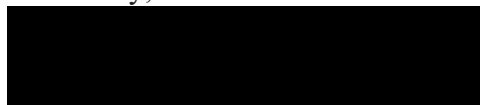
Dear Gregory Woods,

We have reviewed New Jersey's State Plan Amendment (SPA) NJ-26-0003 received in the Centers for Medicare and Medicaid Services (CMS) OneMAC application on March 31, 2026. This amendment authorizes the state to enter into supplemental rebate agreements on a voluntary basis.

Based on the information provided and consistent with the regulations at 42 CFR 430.20, we are pleased to inform you that NJ-26-0003 is approved with an effective date of January 1, 2026.

We are attaching a copy of the signed CMS-179 form, as well as the page approved for incorporation into the New Jersey state plan. If you have any questions regarding this amendment, please contact Olawonuola Kwakoudzi at Olawonuola.kwakoudzi@cms.hhs.gov

Sincerely,



Mickey Morgan
Deputy Director
Division of Pharmacy

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

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

1. TRANSMITTAL NUMBER 2 6 — 0 0 0 3 2. STATE N J

3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT XIX XXI

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

4. PROPOSED EFFECTIVE DATE
January 1, 2026

5. FEDERAL STATUTE/REGULATION CITATION
42 CFR 447.502

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY 2026 \$ 0
b. FFY 2027 \$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
**Addendum to Attachment 3.1-A
Page 12(a).4**

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)
Same (NJ-24-0024)

9. SUBJECT OF AMENDMENT
Authorizes New Jersey to enter into the Medicaid Supplemental Drug Rebate Agreement.

10. GOVERNOR'S REVIEW (Check One)
 GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED:
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

11. SIGNATURE OF STATE AGENCY OFFICIAL

12. TYPED NAME
Stephen Cha, MD, MHSR
13. TITLE
Commissioner, Department of Human Services
14. DATE SUBMITTED
3/31/2026

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
3/31/2026

17. DATE APPROVED
4/28/2026

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
1/1/2026

19. SIGNATURE


20. TYPED NAME OF APPROVING OFFICIAL
Mickey Morgan

21. TITLE
Deputy Director, Division of Pharmacy

22. REMARKS

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 NEEDED**

Prior authorization is not required for pharmaceutical services provided to a resident of a licensed nursing facility or certain licensed assisted living settings including assisted living residences (ALRs) comprehensive personal care homes (CPCHs) and alternative family care (AFC) homes.

Reimbursement is not available for unit-dose packaged drug products dispensed to residents in a boarding home residential care setting or other community-type setting. Other community-type settings shall not include certain assisted living settings including licensed ALRs CPCHs and AFC homes. Drug products which are only commercially available in unit-dose packaging are covered when not otherwise marketed as a chemically equivalent product in a non unit-dose package.

Pharmacies providing unit-dose packaged drugs to beneficiaries residing in long term care and assisted living facilities are required to credit original payments to the State for individual doses of drugs returned to the pharmacy. Any bundled drug service shall be eligible for reimbursement by Medicaid when determined medically necessary, cost effective and as authorized by the Commissioner of Human Services. A bundled drug service means a covered outpatient drug for which the manufacturer seeks to require as a condition of sale associated tests or monitoring services be purchased exclusively from the manufacturer or its designee.

The State may enter into value-based contracts with manufacturers on a voluntary basis. These contracts will be executed on the model agreement entitled "Value-Based Supplemental Rebate Agreement" authorized for use beginning on October 1, 2024.

The State may enter into New Jersey Medicaid Supplemental Drug Rebate Agreements for drugs provided to the Medical Assistance Program. The Department may collect supplemental rebates from drug manufacturers for selected drugs authorized for use beginning on January 1, 2026.