

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
Disabled and Elderly Health Programs Group

||MAR 06 2011

Ms. Mary E. Dalton
State Medicaid Director
Department of Public Health and Human Services
P.O. Box 202951
Helena, Montana 59620-2951

Dear Ms. Dalton:

We have reviewed Montana State Plan Amendment (SPA) 12-001, Prescribed Drugs, received in the Regional Office on December 5, 2011. This amendment proposes to add Wholesale Acquisition Cost (WAC) plus 2% and a dispensing fee of \$6.40 for preferred drug list products and generics, to the current pricing methodology. This SPA also proposes to add language allowing for the reimbursement of API compound drugs. We are pleased to inform you that the amendment is approved, effective October 1, 2011.

A copy of the pages approved for incorporation into the Montana State Plan will be forwarded by the Denver Regional Office. If you have any questions regarding this request, please contact Lisa Ferrandi at (410) 786-5445.

Sincerely,

A handwritten signature in black ink that reads "Larry Reed". The signature is written in a cursive, flowing style.

Larry Reed
Director
Division of Pharmacy

cc: Jo Thompson, Montana Department of Public Health and Human Services
Richard C. Allen, ARA, Denver Regional Office
Diane Dunstan-Murphy, Denver Regional Office