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***“More Than A Co-Op”***

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**TIME SENSITIVE UPDATE**

**To:** IPA NJ Members

**From:** John Covello

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**New NJ Medicaid Generic Drugs MAC prices start tomorrow, May 18th:** As a reminder, New Jersey Medicaid will start to use its new State MAC – called the State Upper Limit (SUL) – for Medicaid reimbursements for generic drugs without an FUL. DMAHS is designing the SUL to be 150% of the LOWEST price from a wholesaler that Medicaid documents for each generic drug. New Jersey Medicaid has developed an initial generic Medicaid generic reimbursement list for over 400 generic drugs start will be in place starting with claims submitted tomorrow. **Our initial review indicates many of these NJ Medicaid generic drug reimbursements will be reduced by 75% and more!** The full list is accessible on the NJ Medicaid MMIS website at [www.njmmis.com](http://www.njmmis.com). In the blue “Information” box on the left side of the page, click on the last link on the bottom called “NJ State MAC”. The generic reimbursement list is also available on the IPA website: [www.ipa-rx.org](http://www.ipa-rx.org).

If the prices listed are below your acquisition cost, there is an appeals process to NJ Medicaid’s SUL vendor, Goold Health System (GHS) where you can appeal the MAC price. You will need to submit your invoice along with an appeal form. **To initially obtain the document and to find out how to submit an MAC price appeal, contact the GHS Help Desk at 1-855-389-9502.** Also make sure any appeals you submit to Goold Health Systems you also send a copy to Heather Rodgers at IPA. Please let IPA know what GHS final decision on your appeal.

These prices will be updated quarterly as GHS continues to survey both pharmacies and wholesalers. As we noted in our last update, you will be sent by GHS a quarterly survey request for specific generic drug invoice pricing. **Please remember your decision whether or not to return the survey will not in and of itself determine how New Jersey Medicaid SUL’s are calculated – they will be based on a 150% mark up of the LOWEST price Medicaid documents from any source. Yet they will still use outdated FUL’s if they are lower than the SUL!**

**Each store should consider this SUL calculation methodology before determining whether to complete the survey.**

Please contact John Covello (email – [jcovello@ipagroup.org](mailto:jcovello@ipagroup.org)) or Heather Rodgers (email – [hrodgers@ipagroup.org](mailto:hrodgers@ipagroup.org)) at IPA at (p) 800-575-2667 or (f) 609-395-1007 if you have any questions. Also visit the IPA website, [www.ipa-rx.org](http://www.ipa-rx.org) for more information about advocacy updates.