



THE STATE  
of **ALASKA**  
GOVERNOR SEAN PARNELL

**Department of  
Health and Social Services**

DIVISION OF HEALTH CARE SERVICES  
Director's Office

4501 Business Park Blvd., Suite 24, Bldg L  
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May 23, 2014

Dear Tribal Health Leader,

On behalf of the Department of Health and Social Services (DHSS), I am writing to inform you of a proposed future Medicaid state plan amendment (SPA), in keeping with DHSS's responsibility to conduct tribal consultation.

**State Maximum Allowable Cost:** The Department intends to submit a SPA that would transition the current State Maximum Allowable Cost from Magellan Medicaid Administration to the National Average Drug Acquisition Cost available from the Centers for Medicare and Medicaid Services. The National Average Drug Acquisition Cost will be applied as a State Maximum Allowable Cost to both brand name and generic medications. While it is possible that the transition to the National Average Drug Acquisition Cost may result in lower reimbursement to tribal providers it is not anticipated that there will be an impact as you have made us aware that your medications are usually purchased through drug discount purchasing programs.

Please provide any written comments or questions regarding this State Plan Amendment within 30 days of the date of this letter to Gennifer Moreau, if you would like to arrange a meeting or discuss this upcoming State Plan Amendment please provide a written request within 15 days, Alaska Department of Health and Social Services, 4501 Business Park BLVD, Building L, Anchorage, Alaska 99503 or [gennifer.moreau@alaska.gov](mailto:gennifer.moreau@alaska.gov). Please also feel free to call if you would like to arrange a meeting or discuss this upcoming State Plan Amendment.

Sincerely,

A handwritten signature in blue ink, appearing to read "Gennifer Moreau".

Gennifer Moreau  
State Plan Coordinator

Cc: William J. Streur, Commissioner  
Craig Christenson, Deputy Commissioner  
Margaret Brodie, Director Health Care Services  
Renee Gayhart, Tribal Programs  
Deb Etheridge, Medicaid Policy and Planning