

Department of Health & Human Services
Centers for Medicare & Medicaid Services
26 Federal Plaza, Room 37-100 North
New York, NY 10278



September 30, 2010

Donna Frescatore
Medicaid Director
Office of Health Insurance Programs
New York State Department of Health
Corning Tower
Empire State Plaza
Albany, New York 12237

Dear Ms. Frescatore:

We have received a copy of Larry Reed's letter to you, in which he notified you of the approval of New York's State Plan Amendment (SPA) 10-10. This SPA expands the supplemental rebate program to include contracting with manufacturers who either do not participate in National Medicaid Pooling Initiative (NMPI) or offer rebates on certain drugs through the NMPI.

Mr. Reed advised you that the New York Regional Office would forward you the signed CMS-179 form as well as copies of the approved pages. These documents are enclosed. The revised pages of Attachment 3.1-A and 3.1-B included in your letter of July 3, 2010 have replaced the corresponding pages that were originally submitted on March 31, 2010.

Please note the approval date of the SPA is September 29, 2010 and the effective date is January 1, 2010.

If you have any questions, please contact Ana J. Balbuena (212) 616-2415.

Sincerely,

/s/

Sue Kelly
Associate Regional Administrator
Division of Medicaid and Children's Health