



Center for Medicaid and State Operation

NOV 23 2004

Mr. Mike R. Jeffus
Director, Division of Medical Services
P.O. Box 1437, Slot S295
Little Rock, Arkansas 72203-1437

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**PROGRAM PLANNING
& DEVELOPMENT**

Dear Mr. Jeffus:

We have reviewed Arkansas's State Plan Amendment (SPA) 04-04 submitted to the Dallas Regional Office on August 31, 2004. This SPA provides for the use of a new single-state Medicaid supplemental rebate agreement (SRA) and an evidence-based preferred drug list (PDL). We have determined that the SPA, PDL and SRA are consistent with the objectives of the Medicaid program. Based on the information provided, we are pleased to inform you that Arkansas SPA 04-04 is approved, effective October 15, 2004.

Approval of SPA 04-04 extends only to the SRA that was submitted to CMS on November 16, 2004, which is specifically referenced in the SPA. If changes are subsequently made to that drug rebate agreement, a new SPA and the revised agreement should be submitted to CMS for review and approval.

A copy of the CMS-179 form, as well as the pages approved for incorporation into the Arkansas state plan, will be forwarded by the Dallas Regional Office. If you have any questions regarding this amendment, please contact Claire Hardwick at (410) 786-6777.

Sincerely,

A handwritten signature in cursive script that reads "Larry Reed".

Larry Reed
Co-Leader
Pharmacy Team

cc: Andrew Frederickson, ARA, Dallas Regional Office
Michael Jones, Dallas Regional Office
JP Peters, Dallas Regional Office