

# Pharmaceutical Assistance to the Aged & Disabled (PAAD)

The Pharmaceutical Assistance to the Aged and Disabled (PAAD) program is a state-funded program that helps eligible older adults and individuals with disabilities save money on their prescription drug costs.

PAAD provides coverage for prescribed legend drugs, insulin and insulin supplies, and needled and syringes for injectable medicines used for the treatment of multiple sclerosis.

The PAAD co-payment will be \$5 for each PAAD covered generic drug prescription and \$7 for each PAAD covered brand name drug prescription. PAAD beneficiaries may pay less for generic drugs if their Medicare prescription drug plan charges them less than the \$5 PAAD co-payment for generics.

PAAD does not pay for diabetic testing supplies (e.g., test strips and lancets). If PAAD beneficiaries have health insurance coverage, such as Medicare Part B that pays for diabetic testing supplies a pharmacy must bill that insurance plan. PAAD will not pay for them.

Only drugs approved by the Food and Drug Administration are covered. Drugs purchased outside the State of New Jersey are not covered, nor is any pharmaceutical product whose manufacturer has not agreed to provide rebates to the State of New Jersey.

For Resources and More Information Call Toll Free Hotline [1-800-792-9745](tel:1-800-792-9745).

## [Eligibility](#)



You may be eligible for PAAD if you meet the following requirements:

- You are a New Jersey resident;
- You are age 65 or older or between ages 18 and 64 and receiving Social Security Title II Disability benefits; and
- Your income for 2024 is less than \$52,142 if single or less than \$59,209 if married.
- Medicare-eligible PAAD beneficiaries are also required to enroll in a Medicare Part D Prescription Drug Plan. PAAD will pay the monthly premium for certain standard basic Part D plans with a monthly premium at or below the regional benchmark. These plans will cover medically necessary prescription medications under Medicare Part D. If a beneficiary self-enrolls in an enhanced plan at or below the regional benchmark premium amount, PAAD will pay the premium as long as the plan agrees to follow all the billing requirements.
- The federal Medicare Plan and/or PAAD will pay any costs above the PAAD copayment of \$5 for each covered generic drug or \$7 for each covered brand name drug, including premiums. However, if a Medicare Part D plan does not pay for a medication because the drug is not on its formulary, PAAD beneficiaries will have to switch to a drug on their Part D plan's formulary, or their doctor will have to request an exception due to medical necessity directly to their Part D plan. Medicare Advantage participants must add a prescription benefit to their coverage, and PAAD will contribute up to the regional benchmark amount towards the prescription portion of their total premium.

## How PAAD interacts with Medicare Part D:

On January 1, 2006, a new federal government program under Medicare began offering prescription drug coverage for the first time to everyone who has Medicare Part A and/or Part B. This coverage, known as Part D, is provided through private companies whose plans are approved by Medicare.

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## [How to Apply](#)





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