

**CHAPTER 83**

**PHARMACEUTICAL ASSISTANCE TO THE AGED AND DISABLED ELIGIBILITY MANUAL**

**Authority**

N.J.S.A. 30:4D-20 through 24.

**Source and Effective Date**

R.1998 d.176, effective March 13, 1998.  
See: 29 N.J.R. 5280(a), 30 N.J.R. 1314(b).

**Chapter Expiration Date**

In accordance with N.J.S.A. 52:14B-5.1c, Chapter 83, Pharmaceutical Assistance to the Aged and Disabled Eligibility Manual, expires on September 9, 2003. See: 35 N.J.R. 1335(a).

**Chapter Historical Note**

Chapter 83, Pharmaceutical Assistance to the Aged and Disabled Eligibility Manual, was originally codified in Title 10 as Chapter 69A, Pharmaceutical Assistance to the Aged and Disabled Eligibility Manual. Chapter 69A, Pharmaceutical Assistance to the Aged Program, was adopted as R.1976 d.102, effective April 5, 1976. See: 7 N.J.R. 505(c), 8 N.J.R. 232(b).

Pursuant to Executive Order No. 66(1978), Chapter 69A was readopted as R.1988 d.211, effective April 20, 1988. See: 20 N.J.R. 369(a), 20 N.J.R. 1106(a).

Pursuant to Executive Order No. 66(1978), Chapter 69A, Pharmaceutical Assistance to the Aged and Disabled Eligibility Manual, was readopted as R.1993 d.175, effective March 26, 1993 See: 24 N.J.R. 4479(a), 25 N.J.R. 1764(a).

Pursuant to Reorganization Plan No. 001-1996, Chapter 69A, Pharmaceutical Assistance to the Aged and Disabled Eligibility Manual, was recodified to Title 8, Chapter 83, effective October 15, 1997. See: 29 N.J.R. 4679(a).

Pursuant to Executive Order No. 66(1978), Chapter 83, Pharmaceutical Assistance to the Aged and Disabled Eligibility Manual, was readopted as R.1998 d.176, effective March 13, 1998. See: Source and Effective Date. See, also, section annotations.

**Cross References**

See N.J.A.C. 10:51-4.1 et seq., Pharmaceutical assistance to the aged and disabled program.

**CHAPTER TABLE OF CONTENTS**

**SUBCHAPTER 1. INTRODUCTION**

- 8:83-1.1 Purpose and intent
- 8:83-1.2 Legal authority

**SUBCHAPTER 2. DEFINITIONS**

- 8:83-2.1 Definitions

**SUBCHAPTER 3. ADMINISTRATIVE ORGANIZATION**

- 8:83-3.1 Department of Health and Senior Services
- 8:83-3.2 Division of Medical Assistance and Health Services
- 8:83-3.3 Bureau of Pharmaceutical Assistance to the Aged and Disabled

**SUBCHAPTER 4. SCOPE OF SERVICE**

- 8:83-4.1 Statutory limitations
- 8:83-4.2 Principles of reimbursement to participating pharmacies
- 8:83-4.3 Interchangeable drug products
- 8:83-4.4 Beneficiary co-payment

**SUBCHAPTER 5. APPLICATION PROCESS**

- 8:83-5.1 General provisions
- 8:83-5.2 Authorized agent
- 8:83-5.3 Eligibility effective date
- 8:83-5.4 Exceptions from normal standards
- 8:83-5.5 Agency controls
- 8:83-5.6 Responsibilities in the application renewal process
- 8:83-5.7 Combined application for PAAD/Lifeline

**SUBCHAPTER 6. ELIGIBILITY REQUIREMENTS**

- 8:83-6.1 Age
- 8:83-6.2 Income standards
- 8:83-6.3 Citizenship
- 8:83-6.4 Residence
- 8:83-6.5 Recipient of other assistance and pharmaceutical coverage
- 8:83-6.6 PAAD eligibility application and renewal application forms
- 8:83-6.7 Social Security account number
- 8:83-6.8 Certification
- 8:83-6.9 Authorization
- 8:83-6.10 Eligibility period
- 8:83-6.11 Confidentiality and disclosure of information
- 8:83-6.12 Appeal process

**SUBCHAPTER 7. RECOVERIES AND LIENS**

- 8:83-7.1 Recoveries for benefits correctly paid
- 8:83-7.2 Recoveries for benefits incorrectly paid
- 8:83-7.3 Liens
- 8:83-7.4 Penalties

**SUBCHAPTER 1. INTRODUCTION**

**8:83-1.1 Purpose and intent**

(a) It is intended that Pharmaceutical Assistance to the Aged and Disabled (PAAD) shall extend assistance to certain persons whose level of income disqualifies them for medical assistance under the New Jersey Medical Assistance and Health Services Act, but who have significant needs for prescribed drugs and/or insulin, insulin needles, insulin syringes, and/or certain diabetic materials and are unable to fully meet the cost of such items.

(b) This manual has been developed as a statement of policy and procedures and is applicable only to eligibility for the PAAD Program.

Amended by R.1985 d.690, effective January 21, 1986.  
See: 17 N.J.R. 2332(a), 18 N.J.R. 190(a).

Added text in (a) "and/or certain diabetic materials".  
Amended by R.1998 d.176, effective April 6, 1998.  
See: 29 N.J.R. 5280(a), 30 N.J.R. 1314(b).

**8:83-1.2 Legal authority**

(a) The New Jersey Program of Pharmaceutical Assistance to the Aged and Disabled (PAAD) was established by Chapter 194, Laws of 1975, as amended by:

1. Chapter 194, Laws of 1975, effective August 21, 1975. Amended by Chapter 312, Laws of 1975, effective February 19, 1976;
2. Chapter 268, Laws of 1977, effective January 1, 1978;
3. Chapter 171, Laws of 1978, effective December 22, 1978;
4. Chapter 27, Laws of 1979, effective March 1, 1979;
5. Chapter 499, Laws of 1981, effective March 1, 1982;
6. Chapter 209, Laws of 1985, effective August 1, 1985;
7. Chapter 221, Laws of 1987, effective July 29, 1987 and retroactive to December 31, 1986;
8. Chapter 16, Laws of 1989, effective February 1, 1989; and
9. Chapter 84, Laws of 1991, effective April 3, 1991 and retroactive to January 1, 1991; and
10. Chapter 30, Laws of 1992, effective June 29, 1992.
11. Chapter 3, Laws of 1993, effective January 13, 1993 and retroactive to January 1, 1993;
12. Chapter 27, Laws of 1995, effective February 15, 1995, retroactive to January 1, 1995;
13. Chapter 323, Laws of 1995, effective April 4, 1996; and
14. Reorganization Plan No. 001-1996.

(b) These Statutes supplement the New Jersey Medical Assistance and Health Services Act (P.L. 1968, c.413).

Amended by R.1985 d.259, effective May 20, 1985.

See: 17 N.J.R. 367(a), 17 N.J.R. 1318(b).

Deleted (a)1, and substituted new text; added (a)5.  
Amended by R.1985 d.690, effective January 21, 1986.

See: 17 N.J.R. 2332(a), 18 N.J.R. 190(a).

Added (a)6.

Amended by R.1988 d.174, effective April 18, 1988.

See: 19 N.J.R. 2375(a), 20 N.J.R. 902(a).

Added (a)7.

Amended by R.1990 d.182, effective March 19, 1990.

See: 21 N.J.R. 3047(a), 22 N.J.R. 953(a).

Added (a)8.

Amended by R.1991 d.563, effective November 18, 1991.

See: 23 N.J.R. 2623(a), 23 N.J.R. 3514(a).

New (a)9. added; reference to Chapter 84, Laws of 1991.

Amended by R.1993 d.608, effective December 6, 1993.

See: 25 N.J.R. 3407(a), 25 N.J.R. 5528(b).

Amended by R.1994 d.191, effective April 18, 1994.

See: 25 N.J.R. 5750(a), 26 N.J.R. 1657(a).

Amended by R.1996 d.7, effective January 2, 1996.

See: 27 N.J.R. 3541(a), 28 N.J.R. 184(c).

Amended by R.1998 d.176, effective April 6, 1998.

See: 29 N.J.R. 5280(a), 30 N.J.R. 1314(b).

In (a), added 13 and 14.

**SUBCHAPTER 2. DEFINITIONS****8:83-2.1 Definitions**

The following words and terms, when used in this chapter, shall have the following meanings unless the context clearly indicates otherwise.

“Annual income” means all income from whatever source derived, actually received or anticipated.

“Anticipated income” means the amounts of income the applicant can reasonably be expected to receive during the calendar year.

“Applicant” means an individual who applies for PAAD, either personally or through an authorized agent.

“Authorized agent” means a person who initiates the PAAD application for a person who is incompetent or incapable of filing the PAAD application on his/her behalf.

“Beneficiary” means an individual who has been found eligible for PAAD benefits.

“Business income” means net income derived from a business, trade or profession or from the rental of property after deductions of the ordinary and necessary expenses attributable to the business, trade, profession, or to the rental or property which are allowed under the Federal Internal Revenue Code and regulations issued thereunder.

“Calendar year” means a year beginning January 1 and ending on December 31. It is the base period utilized to determine annual income and PAAD eligibility.

“Centers for Medicare and Medicaid Services (CMS)” means the agency of the Federal Department of Health and Human Services which is responsible for the administration of the Medicare program in the United States. CMS was formerly known as the Health Care Financing Administration (HCFA).

“Commissioner” means the Commissioner of the Department of Health and Senior Services.

“Current year” means the calendar year in which a person applies or reapplies for PAAD.

“Department” means the Department of Health and Senior Services.