

CHAPTER 167

PHARMACEUTICAL ASSISTANCE TO THE AGED AND DISABLED ELIGIBILITY MANUAL

Authority

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

Source and Effective Date

R.2009 d.16, effective December 9, 2008.
See: 40 N.J.R. 4479(a), 41 N.J.R. 221(a).

Chapter Expiration Date

In accordance with N.J.S.A. 52:14B-5.1b, Chapter 167, Pharmaceutical Assistance to the Aged and Disabled Eligibility Manual, expires on December 9, 2015. See: 43 N.J.R. 1203(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, Pharmaceutical Assistance to the Aged and Disabled Eligibility Manual, 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: 29 N.J.R. 5280(a), 30 N.J.R. 1314(b).

Chapter 83, Pharmaceutical Assistance to the Aged and Disabled Eligibility Manual, was readopted as R.2003 d.392, effective September 9, 2003. See: 35 N.J.R. 1335(a), 35 N.J.R. 4721(a).

Chapter 83, Pharmaceutical Assistance to the Aged and Disabled Eligibility Manual, was readopted as R.2009 d.16, effective December 9, 2008. See: Source and Effective Date. See, also, section annotations.

Chapter 83 of Title 8, Pharmaceutical Assistance to the Aged and Disabled Eligibility Manual, was recodified as Chapter 167 of Title 10 by administrative change, effective June 16, 2014. As a part of the recodification, administrative changes were made throughout concerning cross-references, agency names and addresses, and the elimination of text rendered redundant or moot by the transfer of authority. See: 46 N.J.R. 1643(a).

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

- 10:167-1.1 Purpose and intent
- 10:167-1.2 Legal authority

SUBCHAPTER 2. DEFINITIONS

- 10:167-2.1 Definitions
- 10:167-2.2 Special needs trusts

SUBCHAPTER 3. ADMINISTRATIVE ORGANIZATION

- 10:167-3.1 Department of Human Services
- 10:167-3.2 Division of Medical Assistance and Health Services
- 10:167-3.3 Pharmaceutical Assistance to the Aged and Disabled Program

SUBCHAPTER 4. SCOPE OF SERVICE

- 10:167-4.1 Statutory limitations
- 10:167-4.2 Principles of reimbursement to participating pharmacies
- 10:167-4.3 Interchangeable drug products
- 10:167-4.4 Beneficiary co-payment
- 10:167-4.5 Medicare Part D Prescription Drug Plan premium payments

SUBCHAPTER 5. APPLICATION PROCESS

- 10:167-5.1 General provisions
- 10:167-5.2 Authorized agent
- 10:167-5.3 Eligibility effective date
- 10:167-5.4 Exceptions from normal standards
- 10:167-5.5 Agency controls
- 10:167-5.6 Responsibilities in the application renewal process
- 10:167-5.7 Combined application for PAAD/Lifeline

SUBCHAPTER 6. ELIGIBILITY REQUIREMENTS

- 10:167-6.1 Age
- 10:167-6.2 Income standards
- 10:167-6.3 Citizenship
- 10:167-6.4 Residence
- 10:167-6.5 Recipient of other assistance and pharmaceutical coverage
- 10:167-6.6 PAAD eligibility application and renewal application forms
- 10:167-6.7 Social Security account number
- 10:167-6.8 Certification
- 10:167-6.9 Authorization
- 10:167-6.10 Eligibility period
- 10:167-6.11 Confidentiality and disclosure of information
- 10:167-6.12 Appeal process

SUBCHAPTER 7. RECOVERIES AND LIENS

- 10:167-7.1 Recoveries for benefits correctly paid
- 10:167-7.2 Recoveries for benefits incorrectly paid
- 10:167-7.3 Liens
- 10:167-7.4 Penalties

SUBCHAPTER 1. INTRODUCTION

10:167-1.1 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).

10:167-1.2 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;
14. Reorganization Plan No. 001-1996; and
15. Chapter 281, Laws of 2003, effective January 1, 2005.

(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.

Amended by R.2009 d.16, effective January 5, 2009.
See: 40 N.J.R. 4479(a), 41 N.J.R. 221(a).

In (a)13, deleted "and" from the end; in (a)14, substituted "; and" for the period at the end; and added (a)15.

SUBCHAPTER 2. DEFINITIONS

10:167-2.1 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.

"Authorized representative" means a person with legal authority to act on behalf of an individual in making decisions related to the individual's enrollment in, disenrollment from, and access to negotiated prices in the Medicare Prescription Drug Program.

"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.