



State of New Jersey
Department of Human Services
Division of Medical Assistance & Health Services

NEWSLETTER

Volume 7 No. 32

June 1997

TO: Fee-For-Service Providers of Pharmaceutical Services - For Action
Health Maintenance Organizations - For Information

SUBJECT: Recoupment of Medicaid, General Assistance (GA) Program, the
AIDS Drug Distribution Program (ADDP), Cystic Fibrosis Drug
(CFD) Program, and Pharmaceutical Assistance to the Aged and
Disabled (PAAD) Payments for Inappropriate Prescription Services

EFFECTIVE: Immediately

PURPOSE: The purpose of this Medicaid Newsletter is to notify providers that the New Jersey Division of Medical Assistance and Health Services (DMAHS) is aware of an increasing volume of Medicaid, General Assistance (GA) Program, the AIDS Drug Distribution Program (ADDP), Cystic Fibrosis Drug (CFD) Program, and Pharmaceutical Assistance to the Aged and Disabled (PAAD) prescriptions which are being inappropriately prescribed and/or dispensed based on forged prescriptions filled by providers of pharmaceutical services.

BACKGROUND: In accordance with N.J.A.C. 10:51-1.3(a) and (b)(1), "All participating pharmacies shall provide complete prescription services, including injectables and injectable anti-neoplastic agents, compounding, and prescription refill services, when allowable. **Prescriptions must be dispensed in compliance with all current existing Federal and State laws.**"

In addition, "[**Drugs and medicine**] prescribed by a practitioner licensed or authorized by the State of New Jersey, or the state in which he or she practices, [**must be**] prescribed within the scope of his or her license and practice."

"[**Drugs**] dispensed by licensed pharmacists [**must be**] in accordance with regulations promulgated by the New Jersey State Board of Pharmacy, N.J.A.C. 13:39 [et al.]."

ACTION: DMAHS will not pay for any prescriptions identified by a survey, review, audit or investigation performed by DMAHS, or its authorized agent, which are inappropriately prescribed and/or dispensed based on a forged prescription filled by a provider of pharmaceutical services. The cost of claims for such prescriptions shall be recaptured by DMAHS in accordance with N.J.S.A. 30:4D-7h. In addition, pharmacies are required to comply with all recordkeeping requirements related to patient profiles, as described in N.J.A.C. 13:39-7.14. Any claims paid for prescriptions filled for State beneficiaries whose patient profiles are not in compliance with N.J.A.C. 13:39-7.14 shall be subject to recapture by the State of New Jersey.

If you have any questions regarding this Newsletter, please contact the Chief, Pharmaceutical Services, at (609) 588-2724.

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