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Newsletter

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TO: Providers of Pharmaceutical Services,
Physicians, Dentists, Podiatrists and Independent Clinics
For Information Only: Health Maintenance Organizations

SUBJECT: Additions and Updates to the Drug Efficacy Study
Implementation (DESI) List

EFFECTIVE: Claims with service dates on or after October 1, 1997

PURPOSE: To update the current list of DESI and known Identical, Related or Similar (IRS) drug products which lack substantial evidence of effectiveness, as determined by the federal Food and Drug Administration (FDA).

BACKGROUND: The New Jersey Division of Medical Assistance and Health Services (DMAHS) does not reimburse providers of pharmaceutical services for DESI drugs that the FDA has proposed to withdraw from the market. In addition, Section 2103 of the Omnibus Budget Reconciliation Act (Codified as 1903(i)(5) of the Social Security Act) requires this action for all drugs identical, similar or related to DESI drug products. In addition, claims processed by DMAHS, for the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program, the General Assistance (GA) program, and the Cystic Fibrosis Drug (CFD) program, are also not reimbursed if they are for drugs on the DESI list.

ACTION: Attached for your convenience is an updated Appendix A which is list of DESI and those drug products identical, related or similar to DESI drugs which are considered less than effective under the federal DESI program. Drug products reported on this list are not covered by the above mentioned pharmacy benefit programs.

Please note that drugs formerly determined to be DESI and IRS drugs are identified by an asterisk on this list. Drugs not identified by an asterisk on this list have been added. **Claims for these additional DESI and IRS drugs with service dates on or after October 1, 1997 will be denied payments by the State.** The DESI list (Appendix A) distributed to providers in January 1994 (Transmittal 51-1) may be discarded.

If you have any questions, please do not hesitate to contact the Chief, Pharmaceutical Services, at (609) 588-2724.

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