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Newsletter

Volume 8 No. 48

July 1998

TO: Providers of Pharmaceutical Services, Physicians, Independent Clinics and Certified Nurse Practitioners/Clinical Nurse Specialists - **For Action**
Health Maintenance Organizations - **For Information Only**

SUBJECT: Limiting State Coverage of Impotency Drugs

EFFECTIVE: 1. Coverage limitations effective for claims with service dates on or after **July 1, 1998**
2. Documentation requirements effective for claims with service dates on or after **August 1, 1998**

PURPOSE: To notify providers of pharmaceutical services and practitioners of changes in Medicaid, General Assistance (GA) and Pharmaceutical Assistance to the Aged and Disabled (PAAD) coverage for Viagra and other drugs used for the treatment of male impotency.

BACKGROUND: The New Jersey Department of Human Services, Division of Medical Assistance and Health Services (NJ DHS/DMAHS) and the New Jersey Department of Health and Senior Services, Division of Consumer Support (DHSS/DCS) Newsletter, **Volume 8, No. 39, dated June 1998**, notified providers of pharmaceutical services and practitioners of the State's initial decision to limit coverage of the new impotency drug, Viagra. This Newsletter was effective for pharmacy claims with service dates on or after June 13, 1998.

In accordance with the State Appropriations Act of 1999, the State's policy concerning coverage of Viagra has changed. **In addition, coverage limitations are being imposed for all drugs used in the treatment of male impotency.**

ACTION:

- 1. For claims with service dates on or after July 1, 1998, Medicaid, GA and PAAD coverage of **Viagra and all other impotency drugs** shall be limited to male beneficiaries **over the age of 18 years**.**
- 2. For claims with service dates on or after July 1, 1998, Medicaid, GA and PAAD coverage of **all impotency drug therapies, including Viagra, Caverject and Muse**, shall be limited to **four (4) treatments per month**. A month shall equal **30 calendar days**. For Viagra, this equals **four (4) tablets in 30 days**. For Caverject, this equals **four (4) vials in 30 days**. For Muse, this equals **one (1) package of six (6) units in 30 days**.**
- 3. For claims with service dates on or after August 1, 1998, prescribers must write “Diagnosis of Impotence” on the face of any prescription for impotency drugs. Medicaid, GA and PAAD reimbursement for impotency drug claims in which “Diagnosis of Impotence” has not been written by the prescriber on the face of the prescription shall be subject to recoupment by the State of New Jersey.**

It is important to note that this decision by the State of New Jersey may be subject to further change, based on the outcome of pending decisions from the Federal Health Care Financing Administration (HCFA) or drug utilization.

If you have any Medicaid-related questions regarding this Newsletter, please do not hesitate to contact the Chief, Pharmaceutical Services, at (609) 588-2724, or the Unisys Pharmacy Consultant at (609) 588-6039.

If you have any questions regarding PAAD, please contact Kathleen M. Mason, Director of PAAD, DHSS, at (609) 588-7032.

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