



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

NEWSLETTER

Volume 9 No. 40

July 1999

- TO:** Providers of Pharmaceutical Services - For Action
Physicians - For Action
Health Maintenance Organizations - For Information Only
- SUBJECT:** **“Brand Medically Necessary” Requirements for Over-the-Counter Prescriptions**
- EFFECTIVE:** Claims with service dates on or after July 1, 1999
- PURPOSE:** To notify providers of pharmaceutical services of a Medicaid, General Assistance and NJ KidCare fee-for-service (FFS) policy change to require that pharmacists dispense brand name products of protein nutritional supplements and specialized infant formulas only when the prescriber indicates his/her preference on a written prescription.
- BACKGROUND:** In accordance with the State Fiscal Year 2000 Appropriations Act, pharmacists must dispense brand name products of protein nutritional supplements and specialized infant formulas only when the prescriber documents the phrase “Brand Medically Necessary” on the written prescription.
- ACTION:** Effective for claims with service dates on or after July 1, 1999, the pharmacist shall dispense the least expensive, therapeutically effective protein nutritional supplement or specialized infant formula, at the time of dispensing unless the prescriber indicates in his or her own handwriting on each written prescription or follow-up written prescription to a telephone rendered prescription the phrase “Brand Medically Necessary.” For these claims, the pharmacist must also report the prescriber’s preference by indicating “Medical Certification” on the pharmacy claim. For the purposes of this reimbursement, the physician’s override capability under the Prescription Drug Price and Quality Stabilization Act (N.J.S.A. 24:6E-1 et seq.) shall not apply.

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

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