



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

# NEWSLETTER

Volume 9 No. 56

September 1999

**TO:** Providers of Pharmaceutical Services

**SUBJECT:** Implementation of a WFNJ/GA Pharmacy Lock-In Program

**EFFECTIVE:** For WFNJ/GA Claims with Service Dates on or after October 1, 1999

**BACKGROUND:** The Division of Family Development (DFD) provides coverage of pharmaceutical services to General Assistance (GA) beneficiaries eligible for the Work First New Jersey/GA program. With the exception of the City of Newark, these services may be provided unrestricted by any Medicaid participating provider of pharmaceutical services. The City of Newark currently administers a universal GA lock-in program requiring eligible beneficiaries to select a pharmacy to provide their pharmaceutical needs, and this program will continue.

**PURPOSE:** The New Jersey Division of Medical Assistance and Health Services (DMAHS), in cooperation with the Division of Family Development (DFD), is implementing a pharmacy lock-in program for certain GA beneficiaries eligible to receive pharmaceutical coverage from the Work First New Jersey/GA program.

**ACTION:** **Effective for claims with service dates on or after October 1, 1999,** eligible WFNJ/GA beneficiaries who have been determined to have misused, abused, or overutilized pharmaceutical services or items shall be "locked-in" or restricted to a single pharmacy. This program is similar to the lock-in program currently administered by DMAHS for the Medicaid program, and for the Department of Health and Senior Services' Pharmaceutical Assistance to the Aged and Disabled (PAAD) program.

**The WFNJ/GA lock-in program shall apply to identified GA pharmaceutical services beneficiaries who reside in all municipalities, EXCEPT:**

5706 Burlington Township  
5046 Fort Lee  
5632 Hillside  
5719 Maple Shade  
5545 West Milford

**It is important to note that any pharmacy may provide pharmaceutical services to beneficiaries eligible for GA coverage provided by these municipal GA programs.**

## **GA BENEFICIARY REQUIREMENTS**

WFNJ/GA beneficiaries selected for this program will receive a Pharmacy Selection Form (see attached) that they will sign and submit to the pharmacy of their choice for completion. If the form is not received within the 45-day deadline, the Special Status Unit (SSU) of DMAHS' Bureau of Program Integrity will select a pharmacy and will notify both the beneficiary and the selected pharmacy. Beneficiaries who wish to change pharmacies must submit their request in writing to the SSU, Mail Code #37, P.O. Box 712, Trenton, NJ 08625-0712, indicating the name and address of the new pharmacy they wish to use and the reason for the change.

Beneficiaries who wish to change pharmacies after being "locked-in" will be required to send the SSU a letter stating the name of the store to which they want to be reassigned and the reason for the change. If the change is approved, the SSU will then notify the beneficiary, as well as the old and the new pharmacy by letter. Please be aware that the notification restricting the beneficiary to a pharmacy does not guarantee that the beneficiary is currently eligible for WFNJ/GA benefits. It is the pharmacy's responsibility to verify eligibility upon presentation of a prescription.

Unlike the Medicaid lock-in program, WFNJ/GA beneficiaries will **not** be issued a monthly card indicating eligibility and the name of the pharmacy to which they are restricted. Instead, pharmacies are to utilize the Point-of-Sale system as well as the Recipient Eligibility Verification System (REVS) to check eligibility and lock-in status by dialing 1 (800) 676-6562 or 1 (609) 587-1955.

## **SERVICING PHARMACY REQUIREMENTS**

When a pharmacy receives a "Pharmacy Selection Form" from a WFNJ/GA beneficiary and chooses to serve the individual, the pharmacy must complete and sign the form. A copy of the selection form must be maintained on file by the pharmacy. The form must then be returned to the SSU for processing. If the pharmacy does not wish to serve the beneficiary as a restricted case, it must return the form to the beneficiary, who then may choose another store.

WFNJ/GA reimbursement for pharmacy services will be limited to the selected pharmacy. However, in the case of a "medical emergency" requiring services to be provided by a non-restricted pharmacy, prescription coverage is limited to a 72-hour supply of medication. A "medical emergency" is defined as a critical illness or injury for which the prompt receipt of a prescription may be crucial to saving life or limb or sparing the beneficiary significant or intractable pain (see N.J.A.C. 10:49-6.1(a)2 and 10:51-1.14(a)1 of your manual). Claims for emergency services must be submitted as hard-copy claims, and the word "Emergency" must be reported in Field 18 on the MC-6 claim form. Claims for emergency services which are submitted electronically will be denied.

The pharmacy must permit properly identified representatives of DFD/DMAHS or its authorized agents to inspect written prescriptions on file and to audit records pertaining to covered persons.

If you have any questions regarding this Newsletter, please contact the Chief of Investigations, Bureau of Program Integrity, at (609) 588-3058.

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