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# Newsletter

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- TO:** Providers of Pharmaceutical Services
- SUBJECT:** **Change in Work First New Jersey/General Assistance (WFNJ/GA) Policy Concerning Coverage and Reimbursement for HIV/AIDS Drugs**
- EFFECTIVE:** Claims with service dates on or after January 1, 2000
- PURPOSE:** To notify providers of pharmaceutical services of a change in Work First New Jersey/General Assistance (WFNJ/GA) policy concerning coverage and reimbursement for HIV/AIDS drugs, including (1) the requirement that GA beneficiaries diagnosed with HIV/AIDS enroll in the AIDS Drug Distribution Program (ADDP) administered by the Division of AIDS Prevention and Control (DOAPC), New Jersey Department of Health and Senior Services; and (2) the discontinuation of GA coverage and reimbursement for HIV/AIDS drugs.
- BACKGROUND:** The New Jersey Division of Family Development (DFD) currently provides fee-for-service coverage and reimbursement for all Food and Drug Administration approved legend drugs, protein nutritional supplements, insulin, insulin syringes, diabetic testing materials, certain over-the-counter (OTC) drugs, and pharmaceutical devices provided to eligible WFNJ/GA beneficiaries. Reimbursement is based on the lower of the Average Wholesale Price (AWP) for these drugs, less 10 percent, plus dispensing fee between \$3.73 and \$4.07.
- WFNJ/GA beneficiaries diagnosed with HIV/AIDS are also eligible to receive medications covered by the ADDP. To enhance the quality of pharmaceutical benefits that are provided to persons with HIV/AIDS, WFNJ/GA beneficiaries diagnosed with HIV/AIDS must enroll in the ADDP.
- The ADDP Drug Formulary consists of drugs indicated *only* for the treatment of HIV/AIDS, as well as other *related* drugs approved by the DOAPC. DFD is discontinuing GA payments for drugs indicated *only* for the treatment of HIV/AIDS. WFNJ/GA beneficiaries will receive coverage and reimbursement for these HIV/AIDS

drugs, *as well as all other drugs included on the current ADDP Drug Formulary*, from ADDP

**ACTION:** Effective for claims with service dates on or after January 1, 2000, the DFD has made the following policy changes:

- 1) GA beneficiaries diagnosed with HIV/AIDS will be enrolled by the Division of AIDS Prevention and Control (DOAPC) into the AIDS Drug Distribution Program (ADDP).
- 2) The GA/ADDP beneficiary will select a pharmacy to provide AADDP-covered services. The selected pharmacy will receive a notification letter from AADDP announcing the applicant's name, AADDP eligibility (identification) number, effective date, expiration date, address, listing of AADDP Formulary drugs, and billing instructions.
- 3) Pharmacies are required to submit claims for AADDP Formulary Drugs through the POS claims processing system by reporting the valid AADDP eligibility number on pharmacy claims.
- 4) AADDP will provide prescription coverage and reimbursement for all drugs currently included in the AADDP Drug Formulary for eligible GA beneficiaries. Pharmacies are required to "exhaust" AADDP coverage for a GA client prior to submitting drug claims to the GA program.
- 5) Pharmacies will be notified regarding HIV/AIDS drugs not covered by GA through the POS claims processing system. Edit 402, "Not covered by GA; bill AADDP" will deny these GA claims.

It is important to note that pharmacists are responsible for upholding patient confidentiality with regard to patient diagnosis. Every effort shall be made to hold a patient's diagnosis in the strictest confidence. Any failure to comply may result in personal and/or professional liability, in accordance with N.J.S.A. 26:5C-5 et seq.

If you have any questions regarding this related Medicaid 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, AADDP and CF, please contact Kathleen Mason, Director of PAAD, DHSS, at (609) 588-7032.

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