

30:4D-22

LEGISLATIVE HISTORY CHECKLIST

NJSA: 30:4D-22

(Pharm Assist-including  
coverage for diabetic  
testing materials)

LAWS OF: 1985

CHAPTER: 55

Bill No: A2135

Sponsor(s): Paterniti and others

Date Introduced: June 18, 1985

Committee: Assembly: Aging

Senate: Institutions, Health and Welfare

Amended during passage: Yes

Amendments during passage  
denoted by asterisks

Date of Passage: Assembly: Sep. 13, 1984

Senate: Dec. 17, 1984

Date of Approval: February 21, 1985

Following statements are attached if available:

Sponsor statement: Yes

Committee statement: Assembly No

Senate Yes

Fiscal Note: No

Veto Message: No

Message on Signing: No

Following were printed:

Reports: No

Hearings: No

692

55 85  
2-21-85

[SECOND OFFICIAL COPY REPRINT]

# ASSEMBLY, No. 2135

## STATE OF NEW JERSEY

INTRODUCED JUNE 18, 1984

By Assemblymen PATERNITI, Assemblywoman WALKER, Assemblymen FLYNN, S. ADUBATO, NAPLES, VAINIERI and DORIA

AN ACT to amend "An act to supplement the 'New Jersey Medical Assistance and Health Services Act' (P. L. 1968, c. 413) and making an appropriation therefor," approved August 21, 1975 (P. L. 1975, c. 194).

1 BE IT ENACTED *by the Senate and General Assembly of the State*  
2 *of New Jersey:*

1 1. Section 3 of P. L. 1975, c. 194 (C. 30:4D-22) is amended to  
2 read as follows:

3 3. The program of "Pharmaceutical Assistance to the Aged *and*  
4 *Disabled*" shall consist of payments to pharmacies for the reason-  
5 able cost of prescription drugs of eligible persons which exceed a  
6 \$2.00 copayment. Said copayment shall be paid in full by each  
7 eligible person to the pharmacist at the time of each purchase of  
8 prescription drugs, and shall not be waived, discounted or rebated  
9 in whole or in part.

10 Whenever any interchangeable drug product contained in the  
11 latest list approved and published by the Drug Utilization Review  
12 Council is available for the prescription written, an eligible person  
13 shall either:

14 (1) Purchase an interchangeable drug product which is equal to  
15 or less than the maximum allowable cost, at the \$2.00 copayment;  
16 or

17 (2) Purchase the prescribed drug product which is higher in cost  
18 than the maximum allowable cost and pay the difference between  
19 the two, in addition to the \$2.00 copayment, unless the prescriber  
20 specifically indicates that substitution is not permissible, in which

**EXPLANATION**—Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter printed in italics *thus* is new matter.

Matter enclosed in asterisks or stars has been adopted as follows:

\*—Assembly committee amendment adopted July 30, 1984.

\*\*—Senate committee amendment adopted October 18, 1984.

21 case an eligible person may purchase the prescribed drug product  
22 at the \$2.00 copayment.

23 For purposes of this act:

24 a. "Prescription drugs" means all legend drugs, including any  
25 interchangeable drug products contained in the latest list approved  
26 and published by the Drug Utilization Review Council in con-  
27 formance with the provisions of the "Prescription Drug Price and  
28 Quality Stabilization Act" (P. L. 1977, c. 240, C. 24:6E-1 et seq.),  
29 *diabetic testing materials*, and insulin, insulin syringes and insulin  
30 needles;

31 b. "Reasonable cost" means the maximum allowable cost of  
32 prescription drugs and a dispensing fee, as determined by the  
33 commissioner. *In the case of diabetic testing materials, the maxi-*  
34 *mum allowable cost is the manufacturer's suggested retail selling*  
35 *price or the pharmacy's usual over-the-counter price charged to*  
36 *other persons in the community, whichever is less;*

37 c. "Resident" means one legally domiciled within the State for  
38 a period of 30 days immediately preceding the date of application  
39 for inclusion in the program. Mere seasonal or temporary residence  
40 within the State, of whatever duration, does not constitute domi-  
41 cile. Absence from this State for a period of 12 months is prima  
42 facie evidence of abandonment of domicile. The burden of estab-  
43 lishing legal domicile within the State is upon the applicant;

44 d. "*Diabetic testing materials*" means *blood glucose reagent*  
45 *strips which can be visually read, urine monitoring strips, tapes*  
46 *and tablets and blood letting devices and lancets\**, but shall not  
47 *include electronically monitored devices\**.

1 2. This act shall take effect **\*\*[immediately]\*\*** **\*\*on the 90th day**  
2 **following enactment\*\***.

---

21 case an eligible person may purchase the prescribed drug product  
22 at the \$2.00 copayment.

23 For purposes of this act:

24 a. "Prescription drugs" means all legend drugs, including any  
25 interchangeable drug products contained in the latest list approved  
26 and published by the Drug Utilization Review Council in con-  
27 formance with the provisions of the "Prescription Drug Price and  
28 Quality Stabilization Act" (P. L. 1977, c. 240, C. 24:6E-1 et seq.),  
29 *diabetic testing materials*, and insulin, insulin syringes and insulin  
30 needles;

31 b. "Reasonable cost" means the maximum allowable cost of  
32 prescription drugs and a dispensing fee, as determined by the  
33 commissioner. *In the case of diabetic testing materials, the maxi-*  
34 *mum allowable cost is the manufacturer's suggested retail selling*  
35 *price or the pharmacy's usual over-the-counter price charged to*  
36 *other persons in the community, whichever is less;*

37 c. "Resident" means one legally domiciled within the State for  
38 a period of 30 days immediately preceding the date of application  
39 for inclusion in the program. Mere seasonal or temporary residence  
40 within the State, of whatever duration, does not constitute domi-  
41 cile. Absence from this State for a period of 12 months is prima  
42 facie evidence of abandonment of domicile. The burden of estab-  
43 lishing legal domicile within the State is upon the applicant;

44 d. "*Diabetic testing materials*" means *blood glucose reagent*  
45 *strips which can be visually read, urine monitoring strips, tapes*  
46 *and tablets and blood letting devices and lancets.*

1 2. This act shall take effect immediately.

---

#### STATEMENT

This bill expands the definition of "prescription drug" in the Pharmaceutical Assistance to the Aged and Disabled program to include diabetic testing materials. In addition, the bill specifies the method for determining the State's reimbursement to pharmacies for the diabetic testing materials. The method incorporated into the bill is the same as that used in the State Medicaid program for the same items.

A2135 (1985)

SENATE INSTITUTIONS, HEALTH AND WELFARE  
COMMITTEE

STATEMENT TO  
**ASSEMBLY, No. 2135**

[OFFICIAL COPY REPRINT]  
with Senate committee amendments

**STATE OF NEW JERSEY**

DATED: OCTOBER 18, 1984

As amended, this bill expands coverage under the "Pharmaceutical Assistance to the Aged and Disabled" (PAAD) program to include the purchase of "diabetic testing materials." The bill defines "diabetic testing materials" as blood glucose reagent strips which can be visually read, urine monitoring strips, tapes and tablets and blood letting devices and lancets. The definition excludes electronically monitored devices. In addition, the bill specifies that the method for determining the State's reimbursement to pharmacies for these materials shall be the same as that used in the State Medicaid program for these items.

Committee amendments change the effective date of the act from immediately to 90 days following enactment.

A similar bill, Senate Bill No. 1967 of 1982, was approved by the Legislature last session, however, the Governor filed the bill without approval at the end of the session. In a statement accompanying his pocket veto, the Governor stated that the bill needed a definition of diabetic testing equipment which excluded expensive electronic devices. This bill conforms with the Governor's recommendations.