



**TWO SPECIAL BENEFITS PROGRAMS  
OFFER HELP WITH PRESCRIPTION COSTS**



PAAD (Pharmaceutical Assistance to the Aged and Disabled) and Senior Gold are both state-funded prescription programs which help eligible New Jersey residents with the cost of prescribed medication, (including insulin, insulin needles, and needles for injectable medicines used for the treatment of multiple sclerosis). Neither PAAD nor Senior Gold pays for diabetic testing supplies; e.g., test strips and lancets and Medicare Part D excluded drugs except benzodiazepines and barbiturates. If PAAD or Senior Gold beneficiaries have health insurance coverage that pays for diabetic testing supplies, such as Medicare Part B, a pharmacy must bill that insurance plan. PAAD and Senior Gold will not pay for them.

PAAD and Senior Gold only cover drugs approved by the Food and Drug Administration. Drugs purchased outside the State of New Jersey are not covered, nor are any pharmaceutical products whose manufacturer has not signed a rebate agreement with the State of New Jersey.

The PAAD copayment is \$5 for each covered generic drug and \$7 for each covered brand name drug. If you are eligible for PAAD, you may also be eligible to receive some other benefits, for example, Lifeline which provides assistance for utility bills, Hearing Aid Assistance to the Aged and Disabled, reduced motor vehicle fees, and the property tax freeze.

All PAAD participants, if they are eligible for Medicare Part A or enrolled in Medicare Part B, **must enroll in a Medicare Part D Prescription Drug Plan**. All PAAD applicants must also submit information to PAAD to help determine if they may be eligible for a Federal Subsidy. Medicare-eligible PAAD participants will use PAAD benefits together with Medicare Part D benefits. If your Part D plan is the primary payer for a medication covered on its formulary, PAAD will provide coverage as secondary payer if needed for that drug, and you will only have to pay up to your regular PAAD copayment of \$5 for PAAD covered generic drugs or \$7 for PAAD covered brand name drugs. However, if a Medicare Part D prescription drug plan does not pay for a medication because the drug is not on its formulary, PAAD and Senior Gold beneficiaries will have to switch to a drug on their Part D plan's formulary, or their doctor will have to request an exception due to medical necessity directly to their Part D plan. For PAAD participants, the state and/or federal government will pay Medicare Part D premiums for certain basic Medicare Part D prescription drug plans with monthly premiums at or below the regional benchmark. In addition, for PAAD participants, the State of New Jersey will pay Medicare Part D premiums for basic Part D plans with monthly premiums up to \$5 over the benchmark that have no deductible.

Senior Gold cardholders have income up to \$10,000 above the PAAD limits, and pay \$15 plus 50% of the remaining cost for each covered prescription. Once Senior Gold cardholders reach annual out-of-pocket expenses exceeding \$2,000 for single persons and \$3,000 for married couples per eligibility year, they pay only \$15 per prescription for the balance of that eligibility period.

All Senior Gold beneficiaries, if they are eligible for Medicare Part A or enrolled in Medicare Part B, **must enroll in a Medicare Part D Prescription Drug Plan** if they haven't done so already. They are responsible for paying the monthly premium directly to the Medicare Part D plan of their choice. They also will be responsible for paying any late enrollment penalty imposed by Medicare for each month they were eligible to enroll in Medicare Part D but did not enroll. However, Senior Gold benefits help to make Medicare prescription coverage more affordable by reducing any other out-of-pocket costs associated with that coverage for Senior Gold covered drugs, such as deductibles, co-insurance, and the coverage gap known as the "donut hole."

The PAAD and Senior Gold Programs mandate generic substitution on brand name drugs that have approved generics available. Generic drugs are less costly substitutes with the same active ingredients as drugs sold under the brand name. Currently, in order for a beneficiary to receive the brand name version instead of an approved generic, the prescribing physician must request authorization. However, certain brand name drugs with a narrow therapeutic index or a lower cost per unit than the generic may be excluded from this prior authorization process.

All first-time prescriptions are limited to a 34-day supply. Both PAAD and Senior Gold, when acting as primary payer, allow for refills up to a 34-day supply or 100 unit doses, whichever is greater.

Please visit [www.njpaad.gov](http://www.njpaad.gov) or [www.njsrgold.gov](http://www.njsrgold.gov) for additional information.



**For information  
concerning  
PAAD, Lifeline, HAAAD,  
or Senior Gold  
call toll-free  
1-800-792-9745  
or write:**

**PAAD-HAAAD  
PO Box 715  
Trenton, NJ  
08625-0715**

**LIFELINE  
PO Box 714  
Trenton, NJ  
08625-0714**

**SENIOR GOLD  
PO Box 724  
Trenton, NJ  
08625-0724**

**New Jersey Department of Human Services**

**PAAD**

**PO Box 715 • Trenton, NJ 08625-0715**

*Information for the Aged and Disabled*

**Pharmaceutical Assistance to the Aged & Disabled (PAAD), Lifeline, and Hearing Aid Assistance to the Aged & Disabled (HAAAD) are three programs with similar eligibility guidelines.**

You are eligible for PAAD, Lifeline, and HAAAD if you meet the following requirements:

- ✓ You are a New Jersey resident;
- ✓ Your income is less than \$25,312 if you're single, or less than \$31,035 if you are married;
- ✓ You are at least 65 years of age, OR at least 18 years of age and receiving Social Security Disability benefits;\*
- ✓ Enrollment in Medicare Part D, if eligible.

If your income exceeds these limits, you may still be eligible for pharmaceutical assistance.

**Senior Gold is a prescription discount program for elderly and disabled New Jersey residents who do not qualify for the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program.**

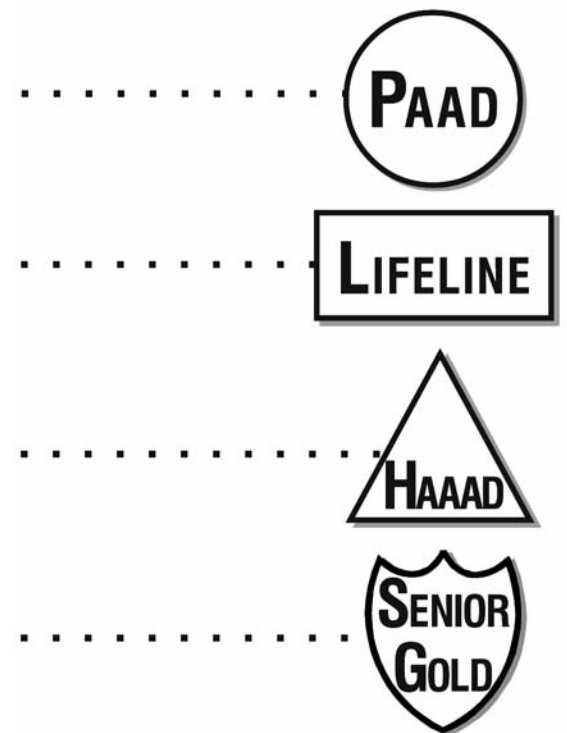
You are eligible for Senior Gold if you meet the following eligibility requirements:

- ✓ You are a New Jersey resident;
- ✓ Your income is between \$25,312 and \$35,312 if you are single, or between \$31,035 and \$41,035 of combined income if you are married;
- ✓ You are at least 65 years of age, OR at least 18 years of age and receiving Social Security Disability benefits;\*
- ✓ Enrollment in Medicare Part D, if eligible.

**\*NOTE:** If you are under age 65 and receiving Social Security benefits on behalf of someone other than yourself, you are NOT eligible.

The income limit will increase each January by the same percentage as the Social Security cost-of-living increase. Note: The Social Security cost-of-living increase in 2012 is 3.6%.

**2012**



**SPECIAL BENEFITS PROGRAMS  
for the AGED  
and DISABLED**



**New Jersey  
Department of Human Services**

**TOLL-FREE HOTLINE  
1-800-792-9745**

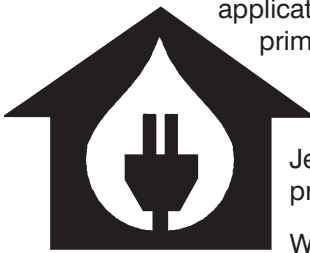
Lifeline is a utility assistance program that offers \$225 to persons who meet the PAAD eligibility requirements or who receive Supplemental Security Income (SSI). This includes utility customers as well as tenants whose utility bills are included in their rent. Only one tenant in a household is entitled to this assistance.

You are eligible for the Lifeline benefit if you are a recipient of Pharmaceutical Assistance to the Aged and Disabled (PAAD). Persons applying for PAAD apply for their Lifeline benefit on the same form by answering the questions that pertain to the Lifeline programs. Persons who are beneficiaries of Medical Assistance to the Aged (MAA), Medical Assistance Only (MAO), or New Jersey Care, are sent Lifeline applications automatically every August.

If you are not a beneficiary of these programs, but you meet the eligibility requirements for PAAD, please contact our office for an application.

Recipients of Supplemental Security Income (SSI) should not file an application for Lifeline. The Lifeline benefit is automatically included in the SSI checks.

Your Lifeline benefit provides for only electricity and natural gas. Other fuels, such as bottled or propane gas, oil, coal, or wood, are NOT covered. If you pay utility bills directly to a single utility company, a \$225 credit will appear on your utility bill. If you receive service from two different companies, the \$225 credit will be divided equally between the two utilities. If the cost of your utilities is included in your rent, you will receive a check for \$225. Your Lifeline application pertains only to your primary place of residence.



Seasonal or temporary residence in New Jersey is not considered a primary residence.

When two or more persons share a single household, Lifeline will only accept one application from that household. The application must be in the name of the person whose name appears on the utility bills or the lease.

If you pay utility bills to two different companies (with one bill in your name and the other in your spouse's name) you must report this on your application. Your Lifeline credit will be divided equally and applied to each account.



**H**earing Aid Assistance to the Aged & Disabled provides a \$100 reimbursement to eligible persons who purchase a hearing aid. "Hearing Aid" means a custom-fitted ear-level or body-worn electronic device which enhances communication for persons with hearing impairments.

If you are receiving Medicaid or have other insurance coverage or retirement benefits, you are NOT eligible for HAAAD. However, you are eligible if you have only limited or partial coverage.

If you are currently enrolled in the PAAD or Lifeline program, you must complete a HAAAD application and submit the following documentation:

- ✓ A receipt for the purchase of your hearing aid;
- ✓ A written statement from your physician attesting to the medical necessity for obtaining a hearing aid.

If you are NOT currently enrolled in the PAAD or Lifeline programs, you must complete a PAAD application to verify your age or disability status, residency and annual income.



## FREQUENTLY ASKED QUESTIONS ABOUT MEDICARE PART D AND PAAD/SENIOR GOLD

**Q: How long will processing my initial PAAD application take?**

A: Once a completed PAAD application is received, it should take about 30 days to process it. A completed application consists of all information necessary to determine eligibility for PAAD benefits as well as the information necessary to determine eligibility for the low-income federal subsidy and Medicare Part D Plan enrollment information. If you participate in Medicare and are not already enrolled in a Part D plan, you will be asked to select a Part D plan from among certain basic Part D plans participating in New Jersey that have a monthly premium at or below the regional benchmark or basic Part D plans that are up to \$5 over the regional benchmark that have no deductible. If you do not qualify for Medicare benefits, you will not have to enroll in a Part D plan.

**Q: What is Medicare Part D?**

A: **Part D** refers to the federal outpatient prescription drug benefit that began January 2006. This benefit was established by the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA).

**Q: As a PAAD participant, who can help me choose a Medicare Part D Plan?**

A: The PAAD Hotline can assist you with questions on the completion of the PAAD Application form and PAAD with Medicare Part D. Call 1-800-MEDICARE, SHIP offices, Offices on Aging, and Offices on the Disabled for assistance with Medicare Part D questions.

**Q: Why do I have to join a Medicare Part D Prescription Drug Plan (PDP) if I qualify for PAAD?**

A: Effective January 2006, PAAD became the SECONDARY PAYER of prescription drugs for PAAD beneficiaries who also are Medicare beneficiaries. This means the federal plan will pay first, then PAAD will pay all other costs in excess of the PAAD copayment of \$5 for each covered generic drug and \$7 for each covered brand name drug. PAAD beneficiaries will pay no more than the \$5 or \$7 per covered prescription. PAAD beneficiaries may pay less for generic drugs if their Medicare prescription drug plan charges them less than the \$5 PAAD copayment for generics.

**Q: Do I have to pay for these additional federal prescription benefits? Will the federal plan cost me money if I am in the PAAD program?**

A: No. If you meet PAAD eligibility requirements and are active on the Program, you will continue to pay no

more than the \$5 PAAD copayment for each PAAD covered generic drug or the \$7 PAAD copayment for each PAAD covered brand name drug. PAAD will pay costs in Medicare Part D in excess of the \$5 or \$7 per prescription PAAD copayment on your behalf including deductibles, premiums and copayment amounts above the \$5 or \$7 per covered prescription, provided you are enrolled in a certain basic standalone plan with a monthly premium that is at or below the regional benchmark or that is up to \$5 over the regional benchmark that has no deductible, or you are enrolled in a Medicare Advantage prescription drug plan.

**Q: What if my Former Employer/ Union/ Retirement Plan, through which I have prescription coverage, tells me NOT to join Medicare Part D?**

A: For PAAD and Senior Gold: Please submit documentation that states that you should not enroll in Medicare Part D by mailing a copy to the attention of the COB Unit, PAAD, PO Box 715, Trenton, NJ 08625 - 0715. You will not be enrolled in a Medicare Part D plan but will retain your PAAD or Senior Gold benefits.

**Q: Will all my drugs be covered in the Medicare PDP?**

A: Your selected Medicare PDP will cover medically necessary prescription medications under Medicare Part D. The federal Medicare plan and PAAD will pay any costs above your PAAD copayment of \$5 for each covered generic drug or \$7 for each covered brand name drug. However, if a Medicare Part D prescription drug plan does not pay for a medication because the drug is not on its formulary, PAAD and Senior Gold beneficiaries will have to switch to a drug on their Part D plan's formulary, or their doctor will have to request an exception due to medical necessity directly to their Part D plan.

**Q: Will PAAD/Senior Gold cover drugs excluded from Medicare Part D coverage?**

A: Neither PAAD nor Senior Gold cover the following medications that are excluded from coverage under Medicare Part D regulations: drugs to treat impotency, cosmetic drugs (including but not limited to drugs used to treat skin conditions, weight gain, weight loss, or hair loss), cough and cold products, and vitamins. However, PAAD and Senior Gold continue to pay for benzodiazepines and barbiturates.

**Q: How will things work at the pharmacy?**

A: PAAD: You will present your Medicare Part D PDP member card **AND** your PAAD card. You will pay no more than \$5 per covered generic drug or \$7 per covered brand name drug.

Senior Gold: You will present your Medicare prescription drug plan membership card and your Senior Gold card at the pharmacy so the combined savings can be applied. Your copayment will be \$15 plus 50% of the remaining cost of the drug for covered prescriptions until you reach the Senior Gold program's annual out-of-pocket threshold of \$2,000 for individuals or \$3,000 for married couples. Then you pay a flat \$15 copayment for the remainder of that eligibility period.

**Q: How does Medicare Part D work with Senior Gold?**

A: All Medicare-eligible Senior Gold beneficiaries must enroll in Medicare Part D to use Senior Gold benefits. You will have to pay a monthly premium directly to the Medicare prescription drug plan of your choice and any late enrollment penalties imposed by Medicare. However, Senior Gold makes Medicare Part D costs more affordable by reducing all other Medicare Part D out-of-pocket costs other than the monthly premium. The more prescriptions a Senior Gold beneficiary uses and/or the higher his drug costs are, the more likely Medicare Part D will be helpful. If your Employer/Union has advised you not to join a Medicare Part D Plan, you should not.

**Q: How many pills am I allowed per covered prescription?**

A: If you are enrolled in a Medicare Part D Plan or other private insurance prescription plan, that Medicare Part D or private Plan will specify the day supply of medication permitted per covered prescription.

**Q: Can I use the federal Medicare Part D drug benefit outside NJ?**

A: **PAAD and SG benefits are not valid outside NJ.** Some Medicare Part D plans operate throughout the country. You would need to check with your Medicare Part D Plan to verify if your federal Medicare Part D drug benefit is available outside NJ and what your copayment responsibility would be outside NJ.

## IMPORTANT INFORMATION

**You will lose your Senior Gold or PAAD, Lifeline, and HAAAD eligibility if:**

1. You move outside of the State of New Jersey;
2. Your annual income exceeds the income limits set by law;
3. You lose your Social Security Disability benefits and you are under age 65;
4. You are eligible and do not enroll or remain enrolled in Medicare Part D.

**NOTE:** \* By law, you MUST notify PAAD, Lifeline, HAAAD or Senior Gold of any changes that will affect your eligibility. If for any reason you become ineligible, you MUST return your PAAD card or Senior Gold card. If you lose eligibility because of an increase in your annual income, you must notify the PAAD or Senior Gold program immediately in writing.

\* If you put false information on your application, you are liable for civil and criminal penalties under the New Jersey Medical Assistance and Health Services Act. You could lose your eligibility for one year for a first offense and permanently for a second offense.

\* PAAD, Lifeline, HAAAD and Senior Gold mail is not forwarded. You must notify these programs in writing of any change in your address; please be sure to provide two proofs of your new residence.

\* Failure to report a change of address could delay your PAAD, Lifeline, HAAAD or Senior Gold benefit. Please include your full name and Social Security number with all correspondence.

\* You may be contacted for additional information needed to process your application. Also, you may be contacted as part of a sample group or by random auditing to assure that the information you provided is valid and accurate. If you refuse to be interviewed, you could lose your eligibility.