§ 246. Regulations. Program regulations shall:

1. Provide for a process of determining and redetermining eligibility for participation in this program including provisions for submission of proof of income, age, and residency and information on existing complete or partial coverage of prescription drug expenses under a third party assistance or insurance plan;

2. Provide for a fair hearing process pursuant to an agreement with the department of health for individuals and participating provider pharmacies to appeal determinations or actions of the contractors;

3. Establish procedures for the state to recover the value of benefits or payments made under this title, if any, that were based on applications or claims submitted in violation of any provision of this title; and

4. Establish procedures to ensure that all information obtained on persons pursuant to paragraph (a) of subdivision two of section two hundred forty-three of this title shall remain confidential and shall not be disclosed to persons or agencies other than those entitled to such information because such disclosure is necessary for the proper administration of the program established pursuant to this title.