COVID-19 Policy Guidance: Fee for Service Billing for Medicaid Certified Nursing Facilities, Special Care Nursing Facilities, and Assisted Living Facilities

July 1, 2020

Effective immediately, in accordance with Executive Order No.103 which addresses the state’s coordinated response to address the novel coronavirus outbreak, this serves as notification of the Department of Human Services' continued temporary suspension of face-to-face assessments for referrals received by the Division of Aging Services, Office of Community Choice Options (DoAS OCCO). DoAS OCCO continues the suspension of all face-to-face visits to Hospitals – acute, subacute, and psychiatric; Nursing Facilities (NFs); Special Care Nursing Facilities (SCNFs); and Assisted Living facilities (ALs).

Pursuant to section 1135(b)(5) of the Social Security Act, DHS has received approval from the Centers for Medicare and Medicaid Services (CMS) to modify the deadline for initial and annual level of care determinations and to allow the provision of services in advance of the initial determination of level of care. The waiver of the initial and annual level of care determinations are effective March 1, 2020 and will terminate upon termination of the public health emergency including any extensions. This communication outlines processes to facilitate fee for service payment to long term care facilities serving those individuals who are determined financially eligible for NJ Medicaid programs during the period of time in which managed care enrollment is not active. These processes are in accordance with regulatory requirements which includes but is not limited to N.J.A.C. 8:85, Medicaid Communication No. 16-09, and Preadmission Screening and Resident Review (PASRR) under Section 1919 (e) (7) of the Social Security Act and Chapter 42 of the Code of Federal Regulations. A list of resources and links can be found at the bottom of this communication.

Medicaid Certified New Jersey Nursing Facilities; Special Care Nursing Facilities; and Assisted Living Facilities

Preadmission Screening is temporarily suspended until further notice. All referrals to DoAS OCCO will continue to be processed, however, the face-to-face assessment will not occur until the suspension is lifted. All referrals, which were pending and/or received within the public emergency time period and that comply with the requirements of 8:85, will have a clinical eligibility determination entered into the NJ Medicaid Management Information System (NJMMIS), as outlined in Medicaid Communication No. 16-09, prior to the clinical eligibility assessment completion to facilitate appropriate payment to the NF, SCNF, and AL for those residents determined Medicaid eligible and without managed care enrollment.

In accordance with Medicaid Communication No. 16-09 “Subject: Assisted Living (AL), Nursing Facility (NF), and Special Care Nursing Facility (SCNF) Provider Communication:
Clinical Eligibility Standards and Timeframes”, DoAS OCCO has the ability to back-date the clinical eligibility to begin on the 15th day for AL/SCNF or the 31st day for NF after the referral receipt date which allows payment to the provider without penalty as a result of DoAS OCCO’s inability to conduct the assessment timely.

Medicaid Certified NJ NFs, SCNFs, and ALs are expected to comply with all requirements of N.J.A.C. 8:85 including but not limited to admission criteria and notification, nursing facility level of care eligibility, and Medicaid financial eligibility and billing. Upon managed care enrollment, the facility is responsible to obtain the appropriate prior authorization.

For questions regarding this communication, please outreach your local OCCO office.

Resource Items:
2. DoAS Long Term Services and Supports and Office of Community Choice Options (OCCO) Contact List is available at DoAS Provider Resources
3. Hospital EARC Criteria and Guidelines are available at DoAS Provider Resources
4. New Jersey Regulations are available at https://www.state.nj.us/humanservices/providers/rulefees/regs/
5. Preadmission Screening and Resident Review information is available at DoAS PASRR Page at https://www.state.nj.us/humanservices/doas/services/pasrr/index.html
6. Medicaid Newsletter No. 16-09 “Provider Communication: Clinical Eligibility Standards and Timeframes” is available at https://www.state.nj.us/humanservices/dmahs/info/resources/medicaid/2016/16-09_AL_NF_SCNF_Clinical_Eligibility_Standards_and_Timeframes.pdf