

To whom it may concern:

This notice provides you and/or your organization with advance notice that the Division of Medical Assistance and Health Services, within the New Jersey Department of Human Services, is considering one or more proposed rulemakings that will amend the Administration Manual (N.J.A.C. 10:49, the Hospital Services Manual (N.J.A.C. 10:52), and the Physician Service Manual (N.J.A.C. 10:54) as described below. The proposed rulemaking(s) are expected to be published in the New Jersey Register during the next 12 to 18 months.

1. Substance Use Disorder – Location of Services
Proposed Amendments at N.J.A.C. 10:49-5.2, 5.5, 5.6 & 5.7 will allow inpatient detoxification services when determined to be medically necessary and limit other substance abuse services to outpatient settings.
2. Administrative Days in inpatient acute care facilities
Proposed amendments to N.J.A.C. 10:52-1.9 and 1.10 will require prior authorization and proper justification for billing more than 25 consecutive administrative days in lieu of discharging the patient. Administrative days are days paid for in an inpatient acute care facility for a patient who is no longer in need of inpatient acute level of care and who is awaiting placement in a nursing facility.
3. Utilization Review
Proposed amendments at N.J.A.C. 10:52-1.15 will include acute care level utilization review for behavioral health services and establish a Quality Improvement Organization (QIO) versus a Utilization Review Organization (URO).
4. Pricing methodologies – Hospital Manual
Proposed amendments to N.J.A.C. 10:52-2.16 and 4.3 will revise billing procedures and standards to be more in line with existing federal and state requirements, making NJ Medicaid policy more aligned with Medicare policy. The pricing methodologies to be addressed will include end stage renal disease (ESRD) services, emergency transportation, and outpatient behavioral health services.
5. Observation days in acute care inpatient facilities
Proposed amendments to N.J.A.C. 10:52-4.3 will streamline reimbursement levels by creating a fee schedule for observation days and no longer paying Cost to Charge Ratios for observation days. Observation would be limited to 48 hours to help eliminate unnecessary and unreasonable wait for placement or onset of treatment.

6. Out-of-state appeals for inpatient hospital services
Proposed amendments to N.J.A.C. 10:52-4.5 would eliminate the requirement that the hospital submit with its rate appeal to the Division all appropriate documentation demonstrating that an appeal was filed with the State Medicaid agency in the state in which the hospital is located and the date that the appeal was filed.
7. Readmission policy for acute care inpatient facilities
Proposed amendments to N.J.A.C. 10:52-14.16 will change the review period for payment for readmissions from seven days to 30 days. This policy will align NJ Medicaid policy with the readmission process used by Medicare.
8. Pricing methodologies – Physician Manual
Proposed amendments to N.J.A.C. 10:54-4.19 will revise billing procedures and standards for anesthesia services to be more in line with existing federal and state requirements, making NJ Medicaid policy more aligned with Medicare policy.

Informal comments on the advance notice will be accepted for 30 days. Please send any comments using any of the methods listed below by Friday, October 5, 2018.

Margaret M. Rose Attn: Hospital Reimbursement Advance Notice
Mail: Division of Medical Assistance and Health Services
Office of Legal and Regulatory Affairs
Mail Code #6
P.O. Box 712
Trenton, NJ 08625-0712
Hand Delivery: 6 Quakerbridge Plaza, Mercerville, NJ 08619.
Fax: (609) 588-7343
Email: Margaret.Rose@dhs.state.nj.us

You will also be given a 60-day opportunity to submit formal comments on any proposed rulemaking(s) subsequent to a publication of the proposed rulemaking(s) in the New Jersey Register. The Division will notify you of the publication date(s) of any proposed rulemaking, the due date for comments, and provide instructions for the submission of comments, once the dates are confirmed by the New Jersey Office of Administrative Law.