

LEGAL NOTICE CLARIFICATION

STATE OF NEW JERSEY

DEPARTMENT OF HUMAN SERVICES

DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

TAKE NOTICE the New Jersey Department of Human Services (DHS), Division of Medical Assistance and Health Services (DMAHS) intends to seek approval from the United States Department of Health and Human Services (HHS), Centers for Medicare and Medicaid Services (CMS), for amendments to the New Jersey Medicaid (Title XIX) State Plan in order to reflect that certain New Jersey Medicaid fee-for-service rates were updated with an effective date of April 1, 2017. This Notice is intended to clarify the original Notice published on March 22, 2017. The fee schedule is published on the Department's fiscal agent's website at <https://www.njmmis.com> under "rate and code information."

The DHS is adjusting specific rates for Medicaid State Plan Behavioral Health services to more closely align with the cost of providing these services by setting specific evaluation and management procedure codes provided in an office setting by a psychiatrist or psychiatric Advance Practice Nurse (APN), an independent clinic (mental health and drug and alcohol) or for outpatient hospital behavioral health medication management to the Medicare rates for physicians. The codes involved are 99212-99215 for provider specialties 260 or 270, 99212-99215 SA for provider specialty 262, 99212-99215 UC or HF for psychiatrist billing by an independent clinic and 99212-99215 HF SA or 99212-99215 SA UC for APN billing by an independent clinic. Services provided by an APN will be set at 90 per cent of the Medicare rates. In addition, revenue code 918 (4 units) for program intake evaluations will be set to match the New Jersey Medicaid Healthcare Common Procedure Coding Systems (HCPCS) rate for the program intake evaluation.

In July 2016, the State had increased most behavioral health services rates to more closely align with the cost of providing behavioral health services. During the provider and other stakeholder forums that have been held since February 2016, independent clinic and outpatient hospital providers identified an unmet need to treat beneficiaries with behavioral health needs for services outside of those services that were previously being utilized. The cost of providing necessary physician services, primarily medication monitoring and intake assessments, necessitated an increase in

the current rate. Providers and stakeholders stated that the current rates were insufficient to cover the cost of these services. In addition, providers and other stakeholders reported that the current number of psychiatrists who are Medicaid providers, combined with the current rates, raised concerns regarding a Medicaid member's ability to access the appropriate psychiatric care including needs assessment, subsequent care and most importantly, medication monitoring.

As a result of stakeholder input, DHS has completed an assessment of specific evaluation and management (E/M) rates for private psychiatric practitioners, independent clinics and outpatient hospital providers providing additional behavioral health services for established beneficiaries and determined it is necessary to increase these E/M rates for these providers in order to meet the demand for psychiatric care for the Medicaid beneficiaries. In order to closely align with a national standard and methodology, DHS has determined that the rate for specific psychiatric services provided in a psychiatrist's office or an independent clinic program be equal to the Medicare rate for E/M codes for established patients in an office or clinic setting. Services provided by a psychiatric advance practice nurse will be set at 90% of the Medicare rate for these services.

Outpatient hospital programs billing with a revenue code of 919 will be paid the full Medicare rate for 99213. In addition, it was determined that the cost of a psychiatric intake assessment should be consistent among community providers. Therefore, the revenue code 918 (4 units) for outpatient hospital assessment was set to match the higher community rate for 90792. The estimated state costs for SFY 2017 are projected to be \$308,931.

This Notice is intended to satisfy the requirements of Federal statutes and regulations, specifically 42 CFR 447.205, and 42 U.S.C. 1396a(a)(13). A copy of this Notice is available for public review at the Medical Assistance Customer Centers, County Welfare Agencies, and the Department's website at:

<http://www.state.nj.us/humanservices/providers/grants/public/index.html>.

Comments or inquiries must be submitted in writing within 30 days of the date of this notice to:

Division of Medical Assistance and Health Services
Office of Legal & Regulatory Affairs
Attention: Margaret Rose
P.O. Box 712, Mail Code #26
Trenton, New Jersey 08625-0712
Fax: 609-588-7343
E-mail: Margaret.Rose@dhs.state.nj.us

