Substance Use Care Management Services

TAKE NOTICE that 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 an amendment to the New Jersey Medicaid (Title XIX) State Plan and the Alternative Benefit Plan (ABP) in order to add coverage for Care Management services provided to individuals with a primary substance use disorder (SUD) with co-occurring psychiatric severe mental illness (SMI) or co-occurring chronic medical needs. This Revised Notice updates the estimated financial impact of the proposed state plan amendment set forth in the Notice published on September 26, 2019.

Care Management services assist those individuals with complex needs that require additional supports to connect them with appropriate care and resources in the community. Care Management is intended to reduce relapse, maintain health and establish recovery. Care Management services will allow the State to expand resources to Medicaid beneficiaries in accessing services and/or transitioning to other levels of care under the spectrum of American Society of Addiction Medicine (ASAM) that are currently available in New Jersey. The Care Manager is expected to work with an individual diagnosed with a primary SUD diagnosis and is homeless or at risk of homelessness to create and manage an individualized treatment plan designed to ensure integrated care to connect the individual in resolving social issues, medical issues, and develop strategies to prevent relapse. Services may be billed by independent clinics for beneficiaries who meet diagnostic criteria.

The estimated financial impact of the proposed Title XIX amendment is anticipated to be $693,722 total for SFY2021 ($346,861 state funds and $346,861 federal funds) and $725,678 for SFY2022 ($362,839 state funds and $362,839 federal funds). The estimated financial impact of the proposed ABP amendment is anticipated to be $2,081,166 total for
SFY2020 ($208,117 state funds and $1,873,049 federal funds) and $2,177,035 for SFY2021 ($217,704 state funds and $1,959,332 federal funds).

The ABP was established in accordance with the Patient Protection and Affordable Care Act (ACA) when New Jersey expanded Medicaid effective January 1, 2014 to parents, caretaker relatives and childless adults with income up to and including 133% of the federal poverty level. The ACA requires the establishment of an Alternative Benefit package for the Medicaid Expansion populations. The ABP must cover 10 Essential Health Benefits as described in section 1302(b) of the ACA, and the State must assure that there will be full access to EPSDT services for people under 21 years of age. A list of services can be found on the DHS website at the site listed below. This Notice is intended to satisfy the requirements of Federal law and regulations, specifically 42 C.F.R. 440.386, 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:


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

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