

Table of Contents

State/Territory Name: NEW JERSEY

State Plan Amendment (SPA) #: 22-0018

This file contains the following documents in the order

listed:1) Approval Letter

2) CMS 179 Form/Summary Form (with 179-like data)

3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
233 North Michigan Ave., Suite 600
Chicago, Illinois 60601



Financial Management Group

October 24, 2022

Carole Johnson
Commissioner
Medical Assistance and Health Services
Department of Human Services
CN 12 Quakerbridge Plaza
Trenton, New Jersey 08625-0712

RE: Title XIX State Plan Amendment (SPA), Transmittal #22-0018

Dear Ms. Johnson:

We have reviewed the proposed amendment to Attachment 4.19-B of your Medicaid State plan submitted under transmittal number 22-0018. This amendment was submitted in order to update the Behavioral Health Service rates.

Based upon the information provided by New Jersey, we have approved the amendment with an effective date of July 1, 2022. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact Division of Reimbursement Review (DRR) analyst Debi Benson at (312) 886-0360 or Deborah.Benson@cms.hhs.gov

Sincerely,

A solid black rectangular box redacting the signature of Todd McMillion.

Todd McMillion
Director
Division of Reimbursement Review

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

2 2 — 0 0 1 8

2. STATE

NJ3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL
SECURITY ACT

XIX



XXI

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

July 1, 2022

5. FEDERAL STATUTE/REGULATION CITATION

42 U.S.C. 1396a(a)(30)(A)

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2022 \$ 5,461,603b. FFY 2023 \$ 21,846,413

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-B Page 24.2
Attachment 4.19-B Page 36
Attachment 4.19-B Page 36a
Supplement 1 to Attachment 4.19B Page 6
Supplement 1 to Attachment 4.19B Page 98. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (if Applicable)same
same
same
same
same

9. SUBJECT OF AMENDMENT

Behavioral Health Services Rates

10. GOVERNOR'S REVIEW (Check One)



GOVERNOR'S OFFICE REPORTED NO COMMENT



COMMENTS OF GOVERNOR'S OFFICE ENCLOSED



NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL



OTHER, AS SPECIFIED:

11. SIGNATURE OF STATE AGENCY OFFICIAL

Digitally signed by Sarah Adelman
Date: 2022.09.28 11:54:54 -04'00'

12. TYPED NAME

Sarah Adelman

13. TITLE

Commissioner, Department of Human Services

14. DATE SUBMITTED

9/29/22

15. RETURN TO

Jennifer Langer Jacobs, Assistant Commissioner
Division of Medical Assistance and Health Services
P.O. Box 712, Mail Code #26
Trenton, NJ 08625-0712**FOR CMS USE ONLY**16. DATE RECEIVED **September 29, 2022**17. DATE APPROVED
October 24, 2022**PLAN APPROVED - ONE COPY ATTACHED**

18. EFFECTIVE DATE OF APPROVED MATERIAL

July 1, 2022

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL

Todd McMillion

21. TITLE OF APPROVING OFFICIAL

Director, Division of Reimbursement Review

22. REMARKS

**STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
Reimbursement for Mental Health Rehabilitation Services
Programs of Assertive Community Treatment (PACT)**

PACT services will be reimbursed at a monthly rate of \$1,562.20 by NJ Medicaid for each calendar month in which at least two hours of face-to-face contact was performed with, or behalf of, the client. Providers cannot bill for services for any month during which the minimum service level has not been achieved.

The monthly rate includes the provision of any, or all, of the range of services included in the PACT service description, based on each individual's need for one or more of those services in a given month, as indicated in the individual's treatment plan.

The PACT rate was developed based on an analysis and average of the reasonable costs expected to be provided for the population during one month of service divided by the anticipated number of recipients receiving the service. This included the cost of personnel, which reflected the staffing make-up/credentials and the relative weight of each staff person towards the service provision. Wage rates were determined using the most recent U.S. Bureau of Labor Statistics and then indexed for inflation. These direct care salary costs were grossed up by applying factors for fringe benefits and general and administrative costs, the assumptions for which were based on available contract data and a provider cost survey. The assumed staff to client ratio was 1:8. The State also included a factor for "on-call" staffing, i.e. additional staff that would be needed, for example, on weekends to deliver required services.

The effective date, the applicable fee schedules, and link to their electronic publication for rates for any service received outside of the PACT bundled rate, can be found on page 36 of Attachment 4.19-B of the State Plan.

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of Medicaid services listed above. Services for both ABP and non-ABP beneficiaries utilize the same rates unless otherwise noted in the plan. All applicable procedure code listings and/or rates are published on the State's website at www.njmms.com under the link for "Rates and Code Information" and Medicaid fee for services sections.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
STATE OF NEW JERSEY

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES FOR NON-
INSTITUTIONAL SERVICES

FEE SCHEDULE EFFECTIVE DATES AND LINKS

Except where noted otherwise, the fees in the State's fee schedules referenced in Attachment 4.19-B below were set on January 1, 2022 and are effective for services provided on or after that date. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of the Medicaid services listed below. Services for both ABP and non-ABP beneficiaries utilize the same rates unless otherwise noted in the plan. All applicable procedure code listings and/or rates are published on the State's website at www.njmms.com under the link for 'Rate and Code Information' and can be found in the following locations:

- **Medicaid Fee Schedules:**

- **Location:** Procedure Master Listing – Medicaid Fee for Service - CY 2022 (last updated in SPA 22-00018 effective 7/1/22)
- **Description:** Main file of procedure codes billable to Medicaid for all services except as listed below.

- **Children's Rates: (excluding Special Education Medicaid Initiative (SEMI))**

All applicable procedure code listings and/or rates are published on the State's website at www.njmms.com under the link for 'Rate and Code Information' and can be found in the following locations:

- **Location:** Procedure Master Listing – Children's Rates – CY 2022 (last updated in SPA 22-0018 – effective 7/1/2022)
- **Description:** File contains procedure codes billable to Medicaid for services provided to beneficiaries under the age of 21 except as listed below.

- **Outpatient Laboratory Billing Only:**

All applicable procedure code listings and/or rates are published on the State's website at www.njmms.com under the link for 'Rate and Code Information' and can be found in the following locations:

- **Location:** Procedure Master Listing - Outpatient Hospital Laboratory Billing Only – CY 2022 (SPA NJ 22-0004 effective 1/1/2022)
- **Description:** File contains procedure codes billable to Medicaid for laboratory services conducted in an outpatient hospital setting as described beginning on Page 2 of this Section.

22-0018 MA (NJ)

TN: 22-0018

Approval Date: October 24, 2022

SUPERCEDES: 22-0011

Effective Date: July 1, 2022

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
STATE OF NEW JERSEY

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES FOR NON-
INSTITUTIONAL SERVICES
FEE SCHEDULE EFFECTIVE DATES AND LINKS (Cont'd)

- **Outpatient Psychiatric Services Only:**

Except where otherwise noted, the fees in the State's fee schedules referenced in Attachment 4.19-B below were set on January 1, 2020 and are effective for services provided on or after that date. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of the Medicaid services listed below. Services for both ABP and non-ABP beneficiaries utilize the same rates unless otherwise noted in the plan.

All applicable procedure code listings and/or rates are published on the State's website at www.njmmis.com under the link for 'Rate and Code Information' and can be found in the following locations:

- **Location: Procedure Code Master Listing – Outpatient Psychiatric Services Only – CY 2022 (last updated in SPA 22-0018 effective 7/1/2022)**
- **Description:** File containing Revenue Codes and rates for Outpatient Psychiatric Services provided to adults and children, as described under Outpatient Mental Health Services on Page 2a of this Section.

- **Home Health Rates Only:**

Except where otherwise noted, the fees in the State's fee schedules referenced in Attachment 4.19-B below were set on January 1, 2016 and are effective for services provided on or after that date. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of the Medicaid services listed below. Services for both ABP and non-ABP beneficiaries utilize the same rates unless otherwise noted in the plan.

All applicable procedure code listings and/or rates are published on the State's website at www.njmmis.com under the link for 'Rate and Code Information' and can be found in the following locations:

- **Location: Skilled Nursing Service Rates – Statewide and Provider Specific Rates**
- **Description:** File containing Revenue Codes and rates for statewide Home Health services as described on Page 6a of this Section.

22-0018 MA (NJ)

TN: 22-0018

Approval Date: October 24, 2022

SUPERCEDES: 20-0005

Effective Date: July 1, 2022

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
STATE OF NEW JERSEY

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES-OTHER
TYPES OF CARE

Reimbursement for Rehabilitation Services – Mental Health Community Services

Substance Use Disorder non-Hospital based Detox

Substance Use Disorder Short-Term Residential

Substance Use Disorder Partial Care

Substance Use Disorder Intensive Outpatient (Non-Hospital)

Substance Use Disorder Outpatient (Non-Hospital)

Medication Assisted Treatment

Methodology of rates:

Substance abuse services listed above will be reimbursed on a fee-for-service basis utilizing HCPCS codes. Outpatient services will be reimbursed utilizing the fee schedule for like outpatient mental health services with common HCPCS codes rendered in an independent clinic setting. Non-medical detox, short-term residential, partial care, and intensive outpatient services will be reimbursed on a per diem basis and medication assisted treatment at a weekly bundled rate (methadone \$95.71 and non-methadone at \$199.20) at rates that align reimbursement with the cost of adherence to Division of Mental Health and Addiction Services (DMHAS) facility standards for each level of care including staffing credentials, staff to client ratios, and clinical contact hours.

The effective date, the applicable fee schedules, and link to their electronic publication, can be found on page 36a of Attachment 4.19-B of the State Plan. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of Medicaid services listed above. Services for both ABP and non-ABP beneficiaries utilize the same rates unless otherwise noted in the plan. All applicable procedure code listings and/or rates are published on the State's website at www.njmmis.com under the link for "Rates and Code Information" and Medicaid fee for services sections.

22-0018 MA NJ

TN: 22-0018

Approval Date: October 24, 2022

SUPERCEDES: 19-0004

Effective Date: July 1, 2022

**STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
STATE OF NEW JERSEY**

**METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES-OTHER
TYPES OF CARE**

Reimbursement for Rehabilitation Services – Mental Health Community Services

Peer Recovery Support Services

The Peer Recovery Support Services rate is \$17.45 per 15 minute unit. These services are not payable while a recipient is receiving inpatient services in a personal care or residential setting.

The effective date, the applicable fee schedules, and link to their electronic publication, can be found on page 36a of Attachment 4.19-B of the State Plan. The rates are the same for both governmental and private providers. Services for both ABP and non-ABP beneficiaries utilize the same rates unless otherwise noted in the plan. All applicable procedure code listings and/or rates are published on the State's website at www.njmmis.com under the link for "Rates and Code Information" and Medicaid fee for services sections.

TN: 22-0018

SUPERCEDES: 19-0015

Approval Date: October 24, 2022

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