



Fee for Service FAQs

Day Habilitation

The New Jersey Division of Developmental Disabilities is transitioning to a Medicaid-based, fee-for-service system, with an anticipated implementation date of July 1, 2015. These FAQs are intended to help Division stakeholders understand the changes that will take effect system-wide at that time.

For a more comprehensive understanding of the new system, please review the [Supports Program Draft Service Definitions](#), [Community Care Waiver Draft Service Definition](#) and the [Fee-for-Service Rate Schedule: A Quick Reference Guide](#), all of which are available on the Division's Fee-for-Service Implementation web page at: www.nj.gov/humanservices/ddd/programs/ffs_implementation.html

What is Day Habilitation?

In the fee-for-service system, Day Habilitation is a Division-funded service that will be available to individuals enrolled on one of the Division's two Medicaid waiver programs, the **Supports Program** or the **Community Care Waiver**, up to a maximum of thirty (30) hours per week (not including transportation). Day Habilitation provides education and training to acquire the skills and experience needed to participate in the community, consistent with the participant's Individualized Service Plan (ISP). This may include activities to support participants with building problem-solving skills, self-help, social skills, adaptive skills, daily living skills, and leisure skills. Activities and environments are designed to foster the acquisition of skills, building positive social behavior and interpersonal competence, greater independence and personal choice.

How does an individual access Day Habilitation services?

In the fee-for-service system, an individual has the choice of which providers he/she will use for Day Habilitation (and all other Division-funded services). With the assistance of their Support Coordinator, an individual and his/her family will research provider options in their area. Once a Day Habilitation provider has been identified and the individual has been accepted into that provider's services, the Support Coordinator will enter that information into the Individualized Service Plan.

Is Day Habilitation different than a day program?

In the fee-for-service system, many of the activities that are currently provided in a day program will fall under the Day Habilitation service category (please review the [Supports Program Draft Service Definitions](#) and the [Community Care Waiver Draft Service Definitions](#) for complete descriptions of all services). However, there are some activities that are currently packaged together as a day program that may still be offered by the same provider but covered under other service categories.

For example, some current day programs assist individuals in maintaining a level of mobility with physical therapy or support an individual to volunteer in his/her neighborhood within the structure of the day program. In the fee-for-service system these activities will be covered through Physical Therapy or Prevocational Training services, respectively. These services are identified separately from Day Habilitation and are claimed as separate services. Remember that any Division-funded service and service provider must be prior authorized through the Individualized Service Plan (ISP) in order to be reimbursable.

What is the rate for Day Habilitation services?

For a complete list of service rates, please review the Fee-for-Service Rate Schedule: Quick Reference Guide. The rates for Day Habilitation are based on support needs assessed through the NJ Comprehensive Assessment Tool (NJ CAT). Individuals receiving Day Habilitation or Community Inclusion services will be "tiered" into a distinct level based on their support needs. For Day Habilitation and Community Inclusion services, providers will claim at the rate associated with an individual's assessed "tier".

Can Day Habilitation providers submit claims for absences?

No. An absence is not a service and is therefore not reimbursable.

Can an individual receive other services while at a Day Habilitation facility?

Yes, an individual can receive other Division-funded services at the site where they receive Day Habilitation services. One of the benefits of the fee-for-service system is that individuals can "mix and match" services throughout their day – at a single location or in several different settings. For example, an individual might receive 3 hours of Day Habilitation, 2 hours of Prevocational Training and 1 hour of Occupational Therapy during what may traditionally have been a six-hour "day program".

All services and service providers must be prior authorized through the Individualized Service Plan (ISP), and services cannot be billed concurrently.

How does a provider become approved to offer Day Habilitation services?

Parties interested in providing Day Habilitation services must obtain **Provisional Day Habilitation Certification** prior to completing the Combined Application to Become a Medicaid/DDD Provider as described in the [Becoming a Medicaid Provider/Medicaid Claims FAQs](#).

Information about the Day Habilitation Certification process can be found on the Division's Day Habilitation Certification web page at: www.nj.gov/humanservices/ddd/services/day/day_habilitation_certification.html

Will the Home and Community Based Services Final Rule have an impact on Day Habilitation?

Yes, the Home and Community-Based Services (HCBS) Final Rule, which was released by the federal Centers for Medicare and Medicaid Services (CMS) in January 2014, clarifies that "community based settings" includes Day Habilitation settings. Details of the Final Rule can be found on Medicaid's Home and Community Based Services web page at: www.nj.gov/humanservices/dmahs/info/hcbs.html.

States have up to one year from March 17, 2014 (the effective date of the HCBS Final Rule) to submit a transition plan to CMS detailing how they will come into compliance with the rule. New Jersey is currently developing its transition plan, and there will be opportunities for stakeholder input prior to its submission to CMS.