

automatically convert the student’s enrollment to a funded choice student if [he or she] **the student** remains in the choice program.

SUBCHAPTER [7.] 5. ADMINISTRATIVE RESPONSIBILITIES OF CHOICE DISTRICTS

6A:12-[7.1]5.1 General provisions

(a) Choice districts shall accept all credits toward graduation [that were] awarded by another district board of education for each **accepted** choice student [it accepts].

1. Choice districts shall award a diploma to a choice student [participating in the program if that student] **who** meets the graduation requirements of the choice district and of the State of New Jersey.

(b) A choice district shall establish and maintain a parent information center, **in accordance with N.J.S.A. 18A:36B-23**.

[1. The center shall collect and disseminate information about participating programs and schools, and shall assist parents and legal guardians in submitting applications for enrollment of students in an appropriate program and school.

2. The information about participating programs and schools shall be posted on the choice district’s website.]

(c) [A choice district shall file reports with the Department at] **At** the end of each **student** application cycle[. A], **a** choice district[’s] **shall file with the Department** reports [shall] **that** include demographic and student participation information, fiscal and programmatic information, and updates on the number of available openings.

SUBCHAPTER [8.] 6. TRANSPORTATION

6A:12-[8.1]6.1 Student transportation

Each sending district shall [have the responsibility] **be responsible** for the transportation **or aid in lieu of transportation** of enrolled choice students who are eligible for transportation services both to and from the choice school in which [that] **the** student is accepted[. Each sending district shall provide transportation or aid in lieu of transportation], in accordance with N.J.S.A. [18A:36A-13] **18A:36B-22** and N.J.A.C. 6A:27-4.

SUBCHAPTER [9.] 7. FUNDING

6A:12-[9.1]7.1 General provisions

(a) Choice students participating in this program shall qualify for State aid pursuant to N.J.S.A. 18A:36B-14 et seq. The sending district will receive transportation aid pursuant to N.J.A.C. 6A:12-[8.1]6.1.

(b) The sending district shall maintain fiscal responsibility for any choice student enrolled in, or determined to require, a private day or residential school, except [that] the choice district will be required to contribute any State aid received for [such a] **the** student and the sending district will be responsible for the balance.

Submit comments by June 14, 2024, to:

Margaret M. Rose
Attn: N.J.A.C. 10:77A
Division of Medical Assistance and Health Services
PO Box 712
Mail Code #26
Trenton, NJ 08625-0712
Fax: (609) 588-7343
Email: Margaret.Rose@dhs.state.nj.us
Delivery: 6 Quakerbridge Plaza
Mercerville, NJ 08619

The agency proposal follows:

Summary

The Department of Human Services (Department) is proposing amendments at N.J.A.C. 10:77A, Adult Mental Health Rehabilitation Services Provided in/by Community Residence Programs, which provides the standards for providing, and obtaining reimbursement for such services, pursuant to the Medicaid/NJ FamilyCare Program.

N.J.A.C. 10:77A sets forth requirements for Medicaid/NJ FamilyCare-approved community residence programs that render adult mental health rehabilitation services. These community residential programs are approved by the Division of Mental Health and Addiction Services (DMHAS) and licensed in accordance with DMHAS rules at N.J.A.C. 10:37A.

The proposed amendments will require the use of a National Provider Identifier (NPI) and appropriate provider-specific taxonomy codes, delete an obsolete level of service, and update billing codes.

At N.J.A.C. 10:77A-1.2, the following definitions are proposed to be added to the chapter: “National Plan and Provider Enumerations System (NPPES),” “National Provider Identifier (NPI),” and “Taxonomy code.”

At N.J.A.C. 10:77A-1.3(c), the address to which provider applications are to be submitted is updated to indicate that applications should be submitted to Gainwell Technologies, the fiscal agent of the Division of Medical Assistance and Health Services.

Proposed new N.J.A.C. 10:77A-1.3(e) requires a provider to have a valid NPI, valid taxonomy code, and complete a provider revalidation, when requested.

N.J.A.C. 10:77A-2.2(d) is proposed for deletion to be consistent with the deletion of this level of care (Level C) by DMHAS from N.J.A.C. 10:37A (See: 47 N.J.R. 1827(a); 48 N.J.R. 1636(a)). Level C was deleted by DMHAS and is being deleted from this chapter, as this level of care is provided through community support services in supportive housing settings pursuant to N.J.A.C. 10:37B and 10:79B.

At N.J.A.C. 10:77A-2.5(d), a reference to Level C is proposed for deletion consistent with the deletion of Level C, as described above.

At N.J.A.C. 10:77A-3.1(d)1, proposed amendments add three new modifiers (U1, U2, and U3) to identify the level of care provided when submitting claims for reimbursement.

At N.J.A.C. 10:77A-3.2, outdated procedure codes are being deleted and replaced with the correct procedure codes, with no change in the reimbursement amount, as follows:

<u>Current Code</u>	<u>Replacement Code</u>
Z7333	H0019 U1
Z7333 52	H0019 52 U1
Z7334	H0019 U2
Z7334 52	H0019 52 U2
Z7335	H0019 U3
Z7335 52	H0019 52 U3
Z7337	H3005

Additionally, the procedure codes for Level C, Z7336 and Z7336 52, are proposed for deletion, consistent with the deletion of Level C.

As DMAHS has provided a 60-day comment period on this notice of proposal, this notice is excepted from the rulemaking calendar requirement, pursuant to N.J.A.C. 1:30-3.3(a)5.

Social Impact

During State Fiscal Year 2023, adult mental health rehabilitation services were provided to 1,692 fee-for-service beneficiaries Statewide.

HUMAN SERVICES

(a)

DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

Adult Mental Health Rehabilitation Services Provided in/by Community Residence Programs

Proposed Amendments: N.J.A.C. 10:77A-1.2, 1.3, 2.2, 2.5, 3.1, and 3.2

Authorized By: Sarah Adelman, Commissioner, Department of Human Services.

Authority: N.J.S.A. 30:4D-1 et seq., and 30:4J-8 et seq.

Calendar Reference: See Summary below for explanation of exception to calendar requirement.

Proposal Number: PRN 2024-036.

There will be no impact on the beneficiaries who receive these services because the proposed amendments do not change the scope of services available or the eligibility for those services. Although the proposed amendments delete Level C services, that level of care has been provided through community support services in supportive housing settings pursuant to N.J.A.C. 10:37B and 10:79B since 2016.

The impact of the proposed amendments on the providers are minimal, requiring the submission of provider applications to a new address, using updated procedure codes, and using the Federally required National Provider Identifier (NPI), which has been an industry standard since 2004.

Economic Impact

During State Fiscal Year 2023, the Medicaid/NJ FamilyCare program paid \$89.94 million (State and Federal share combined) for adult mental health rehabilitation services provided to 1,692 fee-for-service beneficiaries.

There is no economic impact on the beneficiaries as a result of the proposed amendments because beneficiaries are not required to pay for services, except for previously established co-insurance or co-payments and the proposed amendments do not change that.

There is no economic impact on the providers as a result of the proposed amendments because the required NPI for the providers is obtained free of charge from the Centers for Medicare and Medicaid Services, additionally, there is no change in reimbursement amounts.

Federal Standards Statement

Section 1902(a)(10) of the Social Security Act, 42 U.S.C. §1396a(a)(10), regulates program eligibility including the amount, duration, and scope of benefits, Section 1905(a)(13) of the Social Security Act, 42 U.S.C. §1396d(a)(13), allows a state Medicaid program to offer diagnostic, screening, prevention, and rehabilitation services, including medical or remedial services recommended by a physician or other licensed practitioner within the scope of their practice pursuant to state law, for the maximum reduction of physical or mental disability and restoration of an individual to the best possible functional level. Federal regulations at 42 CFR 440.60(a) provide that remedial services rendered to a beneficiary by a licensed practitioner, practicing within the scope defined by state law, are reimbursable.

Mental health rehabilitation services provided in/by a community residence program to provide services to mentally ill adults are an example of this category of service. These services are provided to individuals who require assistance to live independently in the community, and include, but are not limited to, assessment, development, and implementation of a comprehensive service plan through individual services coordination, training in daily living skills, and supportive counseling. The proposed amendments are consistent with these laws.

The use of a standard and unique health identifier for health care providers is required pursuant to 45 CFR 162 Subpart D. The standard unique health identifier for health care providers is the National Provider Identifier (NPI). Title 42 Chapter IV Subchapter C Part 455 Subpart E § 455.440 mandates that the state Medicaid agency require all claims for payment for items and services that were ordered or referred to contain the NPI of the physician or other professional who ordered or referred such items or services.

Title XXI of the Social Security Act allows states to establish a children's health insurance program for targeted low-income children. New Jersey elected this option through implementation of the NJ FamilyCare Children's Program. Section 2103, 42 U.S.C. § 1397cc, provides broad coverage guidelines for the program.

The Department has reviewed the applicable Federal laws and regulations and that review indicates that the proposed amendments do not exceed Federal standards. Therefore, a Federal standards analysis is not required.

Jobs Impact

The Department does not anticipate that the proposed amendments will result in the creation or loss of jobs in the State of New Jersey.

Agriculture Industry Impact

As the proposed amendments concern the provision of fee-for-service community support services to eligible Medicaid/NJ FamilyCare

beneficiaries, the Department anticipates that the proposed rulemaking will have no impact on the agriculture industry in the State of New Jersey.

Regulatory Flexibility Statement

The proposed amendments will affect those providers who provide adult mental health rehabilitation on a fee-for-service basis to beneficiaries residing in the community. In State Fiscal Year 2023, there were 39 providers, many of these providers may be considered small businesses, as the term is defined by the Regulatory Flexibility Act at N.J.S.A. 52:14B-17 et seq., because they employ fewer than 100 full-time employees.

The proposed amendments impose no new reporting, recordkeeping, or compliance requirements on the providers. The existing rules require that providers must maintain, and make available upon request, supporting documentation regarding the services provided. The Department has attempted to minimize any adverse economic impact on small businesses by requiring only that amount of recordkeeping, compliance, and reporting requirements necessary to ensure the safety of the beneficiaries and to protect the Medicaid/NJ FamilyCare programs from fraud. Providers are already required to maintain records to fully disclose the name of the beneficiary who received the service, date of service, and any additional information as may be required by N.J.A.C. 10:49 and N.J.S.A. 30:4D-1 et seq.

The requirements in the proposed amendments must be equally applicable to all providers, regardless of business size, because all providers must utilize the same billing procedures. Providers cannot be excused from the requirements in this chapter because a uniform quality of care must be provided to all beneficiaries and because the Department must ensure that all reimbursements made conform to New Jersey statutes and to applicable Federal laws and regulations.

Proposed amendments also require the providers to obtain a NPI and Taxonomy Code from the National Plan and Provider Enumeration System. The use of these nationally recognized identifying numbers will not increase the administrative burden on the providers because all health care providers and all health plans and health care clearinghouses must use NPIs in their administrative and financial transactions. Since they were introduced as the national standard in 2004, the providers are already accustomed to using them on claims.

The amendments update the rules and add new HCPCS codes used in the reimbursement process. The proposed amendments require no new capital costs, annual compliance costs, or professional services.

Housing Affordability Impact Analysis

As the proposed amendments concern payment for adult mental health rehabilitation provided to Medicaid/NJ FamilyCare beneficiaries, the Department anticipates that the proposed amendments will have no impact on the affordability of housing in New Jersey and there is no likelihood that the proposed amendments would evoke a change in the average costs associated with housing.

Smart Growth Development Impact Analysis

As the proposed amendments concern payment for adult mental health rehabilitation provided to Medicaid/NJ FamilyCare beneficiaries, the Department anticipates that there is no likelihood that the proposed amendments would evoke a change in housing production in Planning Areas 1 and 2, or within designated centers, pursuant to the State Development and Redevelopment Plan.

Racial and Ethnic Community Criminal Justice and Public Safety Impact

The Department has evaluated this rulemaking and determined that it will not have an impact on pretrial detention, sentencing, probation, or parole policies concerning adults and juveniles in the State. Accordingly, no further analysis is required.

Full text of the proposal follows (additions indicated in boldface **thus**; deletions indicated in brackets [thus]):

SUBCHAPTER 1. GENERAL PROVISIONS

10:77A-1.2 Definitions

The following words and terms, when used in this chapter, shall have the following meanings, unless the context clearly indicates otherwise.

...
“National Plan and Provider Enumerations System (NPPES)” means the system that assigns a provider a National Provider Identifier (NPI), maintains and updates information about health care providers with NPIs, and disseminates the NPI Registry and NPPES downloadable file. The NPI Registry is an online query system that allows users to search for a health care provider’s information.

“National Provider Identifier (NPI)” means a unique 10-digit identification number issued to health care providers by the Centers for Medicare and Medicaid Services (CMS).

...
“Taxonomy code” means a code that describes the provider or organization’s type, classification, and the area of specialization.

10:77A-1.3 Provider participation

(a)-(b) (No change.)

(c) Providers shall submit the documents listed [in] at (b) above to:

[Division of Medical Assistance and Health Services

Office of Provider Enrollment

PO Box 712, Mail Code #9

Trenton, New Jersey 08625-0712]

Gainwell Technologies

Provider Enrollment

PO Box 4804

Trenton, New Jersey 08650

(d) (No change.)

(e) In order to participate in the New Jersey Medicaid/NJ FamilyCare Program, all providers shall:

1. Have a valid National Provider Identifier (NPI) number obtained from the National Plan and Provider Enumeration System (NPPES);

2. Have a valid taxonomy code obtained from the NPPES; and

3. Remain a provider in good standing by successfully completing provider revalidation when requested by DMAHS.

Recodify existing (e)-(g) as (f)-(h) (No change in text.)

SUBCHAPTER 2. PROGRAM OPERATIONS

10:77A-2.2 Levels of care

(a)-(c) (No change.)

[(d) Level C means community mental health rehabilitation services provided in the community residence or in a community setting a minimum of one hour per week, but less than four hours per day, delivered by the provider.]

[(e)] (d) (No change in text.)

10:77A-2.5 Basis of reimbursement

(a)-(c) (No change.)

(d) Providers shall be reimbursed for quarter-hour units of service for rendering services at [all Level C programs and at] those Level B programs that are supervised apartments. A quarter-hour unit of service is defined as [15 consecutive] 15-consecutive minutes of service.

1.-3. (No change.)

(e)-(g) (No change.)

SUBCHAPTER 3. HEALTHCARE COMMON PROCEDURE CODING SYSTEM (HCPCS)

10:77A-3.1 Introduction

(a)-(c) (No change.)

(d) Alphabetic and numeric symbols under “IND” and “MOD”: These symbols, when listed under the “IND” and “MOD” columns, are elements of the HCPCS coding system used as qualifiers or indicators (“IND” column) and as modifiers (“MOD” column). They assist the provider in determining the appropriate procedure codes to be used, the area to be covered, the minimum requirements needed, and any additional parameters required for reimbursement purposes.

1. Providers shall consider these symbols and letters when billing because the symbols/letters reflect requirements, in addition to the narrative that accompanies the CPT/HCPCS procedure code, for which the provider is liable. These additional requirements shall be fulfilled before reimbursement is requested.

i. (No change.)

ii. “U1” means Level A+ level of care as defined at N.J.A.C. 10:77A-2.2(a).

iii. “U2” means Level A level of care as defined at N.J.A.C. 10:77A-2.2(b).

iv. “U3” means Level B level of care as defined at N.J.A.C. 10:77A-2.2(c).

(e) (No change.)

10:77A-3.2 HCPCS codes and maximum fee allowance schedule for adult mental health rehabilitation services provided in/by community residence programs

Table with 4 columns: HCPCS Code, MOD, Definition, Maximum Fee Allowance. Rows include codes like [Z7333] H0019, [Z7334] H0019, [Z7335] H0019, [Z7336] H3005.

CORRECTIONS

(a)

THE COMMISSIONER

Inmate Groups

Proposed Redoption with Amendments: N.J.A.C. 10A:12

Authorized By: Victoria L. Kuhn Esq., Commissioner, Department of Corrections.

Authority: N.J.S.A. 30:1B-6 and 30:1B-10.

Calendar Reference: See Summary below for explanation of exception to calendar requirement.

Proposal Number: PRN 2024-043.

Submit written comments by June 14, 2024, to:

Kathleen Cullen
Administrative Rules Unit
New Jersey Department of Corrections