

Division of Mental Health & Addiction Services
wellnessrecoveryprevention
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Mental Health Fee for Service Transition Update

Department and Division staff, in collaboration with a mental health stakeholder group, continues to advance the transition to Fee for Service, as guidelines and procedures are being developed. This newsletter is intended to share progress and updates with the stakeholder community.

Launch of NJ Mental Health Application for Payment Processing (NJMHAPP)

A web-based Information Technology (IT) solution, NJ Mental Health Application for Payment Processing (NJMHAPP) currently is in development and will be used to provide state fund reimbursement. The application's primary purpose is to process payment for eligible consumers and for non-Medicaid reimbursable services for which the state has developed a reimbursement rate. Division Program and (IT) staff have worked closely on the development of this solution, so that important features are included.

IMPORTANT DATES

August 15, 2016

*Providers Inform
DMHAS of FFS
Transition Date
Decision*

August 19, 2016

*3:00-4:00pm
NJ Family Care and
DHS staff
Conference call with
Providers about
Rates
888-808-6929
Access Code
7774674*

October 2016

*Sliding Fee Scale
Policy Introduced to
Providers for
January 2017
Implementation*

November 15, 2016 to December 15, 2016

*Provider Wide
Testing of NJ MHAPP*

Timeline for Mental Health Fee for Service Transition

August 2016 - Provider Transition Date Decision Due to DMHAS contract administrators

Internal Testing of IT application, NJMHAPP

September 2016 - Information Sessions (including demonstration of NJMHAPP) for Providers Transitioning in January 2017 and MH FFS Stakeholder Workgroup members

October 2016 -Hands-on NJMHAPP sessions in preparation for User Acceptance (Providers Transitioning in January 2017 and MH FFS Stakeholder Workgroup members)

Cash Advance Policy and Process Disseminated to MH providers

November 2016 -Provider Wide Testing of NJMHAPP (open testing for additional staff of providers transitioning in January 2017 and MH FFS Stakeholder Workgroup members)

December 2016 - Provider Wide Testing of NJMHAPP (open testing for additional staff of providers transitioning in January 2017 and MH FFS Stakeholder Workgroup members)

January 2017- Fee for Service (FFS) Launch

Late February/March 2017 - Information Sessions (including demonstration of NJMHAPP) for Providers Transitioning July of 2017

Program Specific Updates

PACT and ICMS Hospital In-Reach

Services provided to consumers in state, county inpatient or correctional settings by PACT or ICMS providers are known as “in-reach” services. These programs are required by regulations to provide services to consumers during periods of inpatient care or incarceration to assure continuity as the patient transitions back into the community.

Medicaid cannot be billed for in-reach services. Therefore DMHAS has established guidelines for the billing of PACT and ICMS in-reach services in a state, county hospital or correctional facility.

- For PACT, the regulatory monthly service provision of 2 hours must be met to bill the state for the full PACT reimbursement rate.
- The ICMS provider will be reimbursed for in-reach services at the full state rate for each 15 minutes of service that involves either direct face-to-face contact with the consumer or face-to-face contact on behalf of the consumer, for all necessary treatment team meetings and/or discharge planning. A maximum of 8 units (2 hours) of in-reach may be billed per month, with a total episode maximum of 32 units (8 hours).

Bed Hold Reimbursement for Supervised Residential Programs

Supervised housing providers are required by regulation to maintain a consumer’s placement during periods of brief hospitalization and temporary absences for a period of at least 30 days from the date of admission to the hospital or the beginning of the temporary absence. Supervised housing providers are prohibited from billing Medicaid during any 24-hour period that the consumer is not physically present in the supervised residence. Consequently, the NJ DMHAS set forth criteria for payment from State funds for bed holds applicable to both Medicaid-eligible and non-Medicaid eligible consumers.

Reimbursement will be available for a bed hold of up to 30 days. A request for reimbursement will be considered by the Division for bed holds beyond the initial required 30 day period when it is demonstrated that all of the following criteria are met: consumer’s continued absence is due to ongoing receipt of inpatient psychiatric services; treatment team can project a discharge date in the reasonably foreseeable future; clinical information indicates imminent reoccupation of the bed; and loss of the placement would delay the consumer’s discharge back into the community.

When the above criteria are met, the Division will consider approving reimbursement for the bed hold for up to an additional 30 days. The provider agency may request an additional extension of reimbursement for another 30 days if the criteria continue to exist. Reimbursement will not be available for bed holds longer than 90 days.

Outpatient Services and Children/Adolescents

DMHAS Outpatient contracts have included funds for the treatment of children and adolescents. Over the next several months, these funds will be identified and transferred to the Department of Children and Families’ Children’s System of Care. Until such time, Outpatient programs that transition in January 2017 will be able to access state fund reimbursement for eligible children. The date for the transfer of funds is preliminarily targeted for July 1, 2017. As more details are determined, additional information will be shared.

NJ Division of Mental Health and Addiction Services

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[NJ DMHAS Fee For
Service Transition
Webpage](#)