RULE PROPOSALS

INTERESTED PERSONS

Interested persons may submit comments, information or arguments concerning any of the rule proposals in this issue until the date indicated in the proposal. Submissions and any inquiries about submissions should be addressed to the agency officer specified for a particular proposal.

The required minimum period for comment concerning a proposal is 30 days. A proposing agency may extend the 30-day comment period to accommodate public hearings or to elicit greater public response to a proposed new rule or amendment. Most notices of proposal include a 60-day comment period, in order to qualify the notice for an exception to the rulemaking calendar requirements of N.J.S.A. 52:14B-3. An extended comment deadline will be noted in the heading of a proposal or appear in subsequent notice in the Register.

At the close of the period for comments, the proposing agency may thereafter adopt a proposal, without change, or with changes not in violation of the rulemaking procedures at N.J.A.C. 1:30-6.3. The adoption becomes effective upon publication in the Register of a notice of adoption, unless otherwise indicated in the adoption notice. Promulgation in the New Jersey Register establishes a new or amended rule as an official part of the New Jersey Administrative Code.

HUMAN SERVICES

(a)

DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

Hearing Aid Services

Provider Participation and Billing Requirements

Proposed Amendments: N.J.A.C. 10:64-1.1, 1.2, 1.3, 1.5, 2.2, 3.1, 3.2, and 3.4

Proposed Repeal: N.J.A.C. 10:64-3.3

Authorized By: Stephen Cha, MS, MHSR, 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 2026-035.

Submit comments by September 18, 2026, to:

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The agency proposal follows:

Summary

The Department of Human Services (Department) is proposing amendments and a repeal to N.J.A.C. 10:64, Hearing Aid Services, which regulates the provision of hearing aid services pursuant to the New Jersey Medicaid/NJ Family Care fee-for-service programs. The proposed amendments address provider participation requirements related to seeking reimbursement for the provision of hearing aid services. The proposed amendments require providers to obtain and use a Federally required National Provider Identifier (NPI) and valid taxonomy code. All enrolled Medicaid/NJ FamilyCare providers were notified of the Federal requirement to obtain an NPI and taxonomy code through the Division of Medical Assistance and Health Services (DMAHS) Newsletter Volume 16, Number 18, in December 2006. The proposed amendments update the chapter to memorialize this change. Additional proposed amendments update the list of Healthcare Common Procedure Coding System (HCPCS) procedure codes that providers use to seek reimbursement for the provision of services. The Centers for Medicare and Medicaid Services (CMS) update the list of HCPCS procedure codes annually and the Department is proposing the amendments to be consistent with the most recent updates provided. The codes are also available on the website of the Medicaid/NJ FamilyCare's fiscal agent, Gainwell Technologies, at www.njmmis.com, and all providers have free access to that site. The proposed repeal related to the HCPCS procedure codes includes the deletion of all Level III codes. Level III HCPCS codes were State-specific codes; however, they are no longer recognized because the requirements of the Federal Health Insurance Portability and Accountability Act of 1996 (HIPAA), Pub. L. 104-191, require the use of uniform codes and modifiers by all states.

Summary of Specific Changes

N.J.A.C. 10:64-1.1(b) is proposed for deletion as the DMAHS no longer requires hearing aids to be returned.

At N.J.A.C. 10:64-1.2, definitions are proposed to be added for "National Provider Identifier (NPI)," "National Plan and Provider Enumeration System (NPPES)," and "taxonomy code."

At N.J.A.C. 10:64-1.3(c), proposed amendments require providers to submit a copy of their valid New Jersey license to dispense hearing aids or comparable out-of-State documentation with their application to be a Medicaid/NJ FamilyCare provider.

Proposed new N.J.A.C. 10:64-1.3(d) requires hearing aid dispensers to obtain a National Provider Identifier in order to be approved as a Medicaid/NJ FamilyCare provider.

Proposed new N.J.A.C. 10:64-1.3(e) requires that a provider have a taxonomy code for hearing specialist in order to be approved as a Medicaid/NJ FamilyCare provider.

Proposed new N.J.A.C. 10:64-1.3(f) requires all providers to complete a revalidation, when requested, in order to maintain status as a Medicaid/NJ FamilyCare provider.

Recodified N.J.A.C. 10:64-1.3(f) is proposed for amendment to state that the application process begins with the completing of the application.

At N.J.A.C. 10:64-1.5(c), a proposed amendment requires that the reason for the replacement of a hearing aid within one year of the initial dispense date be documented, an explanation of what happened to the original equipment be provided, and that prior authorization shall be required for replacement.

At N.J.A.C. 10:64-2.2(b), a proposed amendment allows medical examinations of a beneficiary's ear to be performed in nursing facilities by an advanced practice nurse.

At N.J.A.C. 10:64-2.2(c), a proposed amendment changes the name of the program to "Medicaid/NJ FamilyCare."

At N.J.A.C. 10:64-3.1(b), proposed amendments indicate that the Healthcare Common Procedure Coding System (HCPCS) is no longer a three-level, system but a two-level system. The use of HCPCS Level III Local Regional codes for specific programs and jurisdictions was discontinued by the CMS to promote consistent coding standards.

At N.J.A.C. 10:64-3.1(b)1, the proposed amendment indicates that the acronym "CPT" refers to the Current Procedural Terminology, which is used by the Centers for Medicare and Medicaid Services to identify covered healthcare items and services.

N.J.A.C. 10:64-3.1(b)3, which describes Level III codes, is proposed for deletion.

At N.J.A.C. 10:64-3.1(c)1i, a proposed amendment changes the reference from "CPT-4" to "CPT", as providers are required to use the most recent edition of the CPT to determine the appropriate codes.

At N.J.A.C. 10:64-3.1(c)1ii, in the "code narrative" section, proposed amendments change the reference from "CPT-4" to "CPT," as providers are to use the most recent edition of the CPT. The reference to Level III codes is deleted, consistent with the amendments proposed above, and the cross-reference to N.J.A.C. 10:64-3.3 is deleted as that section, which includes Level III HCPCS codes, is proposed for repeal as described below.

At N.J.A.C. 10:64-3.1(d)1ii, proposed amendments delete the reference to N.J.A.C. 10:64-3.3 for the reason stated above.

At N.J.A.C. 10:64-3.2, proposed amendments add the following Level II HCPCS codes, their descriptions, and maximum fee allowances to the list of codes eligible for reimbursement: V5014, V5014 52, V5265, V5265 52, V5266, and V5267.

N.J.A.C. 10:64-3.3, HCPCS Procedure codes and maximum fee allowance schedule for Level III codes and narratives, is proposed for repeal, as Level lll codes are no longer used.

At N.J.A.C. 10:64-3.4, the proposed amendment adds V5014 without a modifier. This code is related to the repair of hearing aids.

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

Social Impact

During State Fiscal Year 2024, approximately 27 Medicaid and NJ FamilyCare fee-for-service beneficiaries received hearing aid services from nine hearing aid providers.

The proposed amendments and repeal are not expected to have a significant impact on provider participation or the volume of fee-for-service Medicaid/NJ FamilyCare beneficiaries seeking services.

These proposed amendments and repeal will not impact the beneficiaries because the scope of services provided, and the beneficiary eligibility requirements, are not changing. Eligible Medicaid/NJ FamilyCare beneficiaries will continue to receive services without interruption.

Economic Impact

During State Fiscal Year 2024, the Department spent approximately $59,734.20 (Federal and State share combined) for fee-for-service hearing aid services to Medicaid/NJ FamilyCare beneficiaries. The proposed amendments should not change annual State expenditures because the rulemaking does not include changes in eligibility, reimbursement amounts, or coverage.

The proposed amendments and repeal will have no economic impact on Medicaid/NJ FamilyCare beneficiaries because they do not pay for hearing aid services, other than any pre-existing cost share or copayment associated with the specific NJ FamilyCare plan in which they are enrolled, and the proposed amendments do not change those requirements.

The proposed amendments and repeal will not have an economic impact on the providers because the changes in reimbursement procedures involve the deletion of obsolete Level III codes and the addition of replacement Level II codes with no changes in reimbursement of the services provided. There are no new costs to providers that are specifically associated with these rules.

Federal Standards Statement

Section 1902(a) of the Social Security Act, 42 U.S.C. § 1396a(a), describes who may be provided with Medicaid services. Section 1905(a)(13) of the Social Security Act, 42 U.S.C. § 1396d(a)(13), allows states to provide hearing aid services to eligible beneficiaries. Section 1905(r)(4) of the Act, 42 U.S.C. § 1396d(r)(4), provides for Medicaid coverage of hearing services for children through the Early and Periodic Screening and Treatment (EPSDT) program.

Federal regulations at 42 CFR 440.60 define "medical care" or any other type of remedial care provided by licensed practitioners as any medical or remedial care or services, other than physicians' services, provided by licensed practitioners within the scope of their practice, as defined by state law. This includes hearing aid services.

Federal regulations at 42 CFR 440.110 describe services for individuals with speech, hearing, and language disorders as diagnostic, screening, preventive, or corrective services provided by or under the direction of a speech pathologist or audiologist, for which a patient is referred by a physician or other licensed practitioner of the healing arts within the scope of his or her practice pursuant to state law, and includes as services any necessary supplies and equipment. The regulation defines speech pathologist and qualified audiologist.

Federal regulations at 42 CFR 441.56 govern hearing screening pursuant to the EPSDT program, which provides comprehensive and preventive health care services for children under age 21 who are enrolled in Medicaid.

Federal regulations at 45 CFR 162.402 through 162.414 require the use of standard unique health identifiers for healthcare providers.

Title XXI of the Social Security Act allows a state, at its option, to provide a State Child Health Insurance Plan (SCHIP). New Jersey has elected this option with the development of the NJ FamilyCare Children's Program. Sections 2103(c)(2)(D) and 2110(a)(12) and (24) of the Social Security Act, 42 U.S.C. §§ 1397cc(c)(2)(C) and 1397jj(a)(12) and (24), respectively, describe hearing services and remedial devices that a state may provide to targeted, low-income children.

The Department has reviewed the applicable Federal statutory and regulatory requirements and has determined that the proposed amendments and repeal do not exceed Federal standards. Therefore, a Federal standards analysis is not required.

Jobs Impact

The Department anticipates that the proposed amendments and repeal will not have an impact on employment in the State of New Jersey and does not expect that any jobs will be gained or lost as a result of these proposed amendments and repeal.

Agriculture Industry Impact

As the proposed amendments and repeal concern the provision of hearing aid services, the Department anticipates that the proposed rulemaking will have no impact on the agriculture industry in the State of New Jersey.

Regulatory Flexibility Analysis

The proposed amendments and repeal will affect providers of hearing aid services, as some of these providers may be considered small businesses, as defined at N.J.S.A. 52:14B-17 of the Regulatory Flexibility Act, because the providers employ fewer than 100 full-time employees. The proposed amendments and repeal impose no new reporting requirements upon providers or hearing aid services. The rules include recordkeeping and compliance requirements that providers are required to maintain, and make available upon request, supporting documentation regarding the services provided. Providers must also use nationally recognized HCPCS codes, as described in this chapter, when requesting reimbursement. These requirements are the same as those imposed by payers other than the Medicaid/NJ FamilyCare program; therefore, hearing aid providers would maintain these records and use these codes as a normal part of doing business.

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 pursuant to N.J.A.C. 10:49 and N.J.S.A. 30:4D-1 et seq. These requirements must be equally applicable to all providers, regardless of business size, because all providers must utilize the same billing procedures.

The proposed amendments do not impose any additional recordkeeping, compliance, or reporting requirements on small businesses. Although the proposed amendments codify the requirement of obtaining and maintaining a NPI and taxonomy code, the providers are already familiar with the use of the NPI since the Centers for Medicare and Medicaid Services have been requiring them since 2006 and most, if

not all, providers should already have obtained their NPI and taxonomy code.

The proposed amendments and repeal require no capital costs and no professional services.

Housing Affordability Impact Analysis

As the proposed amendments and repeal concern the provision of hearing aid services, the Department anticipates that the proposed rulemaking will have no impact on the affordability of housing, nor will it have an impact on average costs associated with housing.

Smart Growth Development Impact Analysis

As the proposed amendments and repeal concern the provision of hearing aid services, there will be no impact on housing production within Planning Areas 1 and 2, or within designated centers, pursuant to the State Development and Redevelopment Plan and they will have no impact on smart growth.

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 rule proposed for repeal may be found in the New Jersey Administrative Code at N.J.A.C. 10:64-3.3.

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

SUBCHAPTER 1. GENERAL POLICIES

10:64-1.1 Scope

[(a)] This chapter is concerned only with hearing aids for eligible beneficiaries of the New Jersey Mediciad/NJ FamilyCare Program. It is the intent of the program to furnish hearing aids and related services to eligible beneficiaries who can benefit from them.

[(b) When a hearing aid is authorized and purchased on behalf of a Medicaid beneficiary, ownership of the hearing aid will vest in the Division of Medical Assistance and Health Services. The beneficiary will be granted a possessory interest for as long as the beneficiary requires use of the aid. When the beneficiary no longer needs the aid, possession and control will revert to the Division. The beneficiary shall sign an agreement to this effect as part of the process of authorizing purchase of the hearing aid.]

10:64-1.2 Definitions

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

. . .

"National Plan and Provider Enumeration System (NPPES)" means the system that assigns NPIs, 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/NJ FamilyCare Services (CMS).

. . .

"Taxonomy code" means a code that describes the provider or organization's type, classification, and the area of specialization.

10:64-1.3 Provisions for provider participation

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

(c) A photocopy of the current valid **New Jersey** license **or comparable out-of-State documentation** shall be provided with the application for enrollment **as a Medicaid/NJ FamilyCare provider**.

(d) In order to be approved as a Medicaid/NJ FamilyCare participating provider, the dispenser shall have a valid National Provider Identifier (NPI) obtained from the National Plan and Provider Enumeration System (NPPES).

(e) In order to be approved as a Medicaid/NJ FamilyCare participating provider, the dispenser shall have a valid taxonomy code for hearing aid specialists obtained from the NPPES.

(f) Once approved as a Medicaid/NJ FamilyCare provider, timely successful completion of the provider revalidation, when requested by DMAHS, will allow a Medicaid/NJ FamilyCare provider to continue to remain in good standing.

[(d)] **(g)** Upon [signing and returning] **completing** the Medicaid Provider Application, the Provider Agreement**,** and other enrollment documents to the fiscal agent for the New Jersey Medicaid/NJ FamilyCare program, the hearing aid dispenser will receive written notification of approval or disapproval. If approved, the hearing aid dispenser will be assigned a provider identifier number. The State's fiscal agent will furnish the provider identifier number, provider number, and will provide an initial supply of pre-printed claim forms.

10:64-1.5 Basis of reimbursement

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

(c) Replacement of an aid within one year from date of original dispensing, [if not covered by the manufacturer's warranty,] **requires a prior authorization with documentation and an explanation as to what happened to the original equipment. If approved, it** shall be reimbursed at the lower of the following:

1.-2. (No change.)

(d)-(f) (No change.)

SUBCHAPTER 2. PROVISION OF SERVICES

10:64-2.2 Dispensing of a hearing aid to a Medicaid/NJ FamilyCare beneficiary residing in a nursing facility

(a) (No change.)

(b) A medical examination of a beneficiary's ear may be performed by an otologist or beneficiary's attending physician or other type of physician **or an advanced practice nurse** practicing in a nursing facility.

(c) Hearing aids dispensed in nursing facilities shall be subject to a prepayment review by the [Medicaid] **Medicaid/NJ FamilyCare** program following the date the aid was provided to assess the appropriateness of the aid and the overall response of the beneficiary to the aid's availability.

(d)-(g) (No change.)

SUBCHAPTER 3. HEALTHCARE COMMON PROCEDURE CODING SYSTEM (HCPCS)

10:64-3.1 Introduction to the HCPCS procedure code system

(a) (No change.)

(b) HCPCS [has been developed as a three-level] **is a two-level** coding system, as follows:

1. Level I codes: Narratives for these codes are found in the **Current Procedural Terminology (**CPT**)**, which is incorporated herein by reference, as amended and supplemented. The codes are adapted from the CPT for use primarily by physicians, podiatrists, optometrists, certified nurse-midwives, certified nurse practitioners and clinical nurse specialists, independent clinics**,** and independent laboratories. Level I procedure codes are not applicable to hearing aid services.

2. (No change.)

[3. Level III codes: Level III codes identify services unique to the New Jersey Medicaid program. These codes are assigned by the Department to be used for those services not identified by CPT codes or CMS-assigned codes. Narratives for these codes, and the fees paid for each, can be found at N.J.A.C. 10:64-3.3.]

(c) Specific elements of HCPCS codes require the attention of providers. The lists of HCPCS code numbers for hearing aid services are arranged in tabular form with specific information for a code given under columns with titles such as: "IND," "HCPCS CODE," "MOD," "DESCRIPTION," and "MAXIMUM FEE ALLOWANCE." The information given under each column is summarized below:

1. 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.

i. These symbols and/or letters shall not be ignored because they reflect requirements, in addition to the narrative which accompanies the CPT/HCPCS procedure code as written in the [CPT-4] **CPT**, for which the provider is liable. These additional requirements shall be fulfilled before reimbursement is requested.

ii. (No change.)

. . .

DESCRIPTION = Code narrative:
Narratives for Level I codes are found in [CPT-4] **the CPT**.
Narratives for Level II [and III] codes are found at N.J.A.C. 10:64-3.2 [and 3.3]

. . .

(d) Listed below are general policies of the New Jersey Medicaid/NJ FamilyCare program that pertain to HCPCS. Specific information concerning the responsibilities of a hearing aid service when rendering Medicaid/NJ FamilyCare-covered services and requesting reimbursement are located at N.J.A.C. 10:64-1 and 2.

1. General requirements are as follows:

i. (No change.)

ii. When billing, the provider shall enter on the claim form a CPT/HCPCS procedure code as listed in this subchapter (N.J.A.C. 10:64-3.2 [and 3.3]).

iii.-iv. (No change.)

10:64-3.2 HCPCS Procedure codes and maximum fee allowance schedule for Level II codes and narratives

IND	HCPCS Code	Mod	Description	Maximum Fee Allowance $
N	**V5014**		**Hearing aid repair, laboratory invoice cost**	**B.R.**
N	**V5014**	**52**	**Hearing aid repair, dispenser service fee**	**B.R.**
. . .				
	V5265		**Earmold, laboratory invoice cost**	**35.00**
	V5265	**52**	**Earmold, dispenser's service fee**	**10.00**
	V5266		**Battery for hearing aids (per battery)**	**0.80**
	V5267		**Hearing aid or assistive listening device, supplies, and/or accessories not otherwise specified**	**B.R.**
. . .				

10:64-3.3 (Reserved)

10:64-3.4 HCPCS Procedure codes with qualifiers for hearing aid services

(a) The following is a list of HCPCS procedure codes with associated qualifiers. Providers shall recognize the requirements inherent in billing each of the HCPCS.

V5014 The repair charges are broken down into the laboratory costs and the dispenser's service fees. This code will also serve for minor in-office repair**s**

V5014 52

(a)

DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

Community Support Services for Adults with Mental Illnesses

Proposed Amendments: N.J.A.C. 10:79B-1.1, 2.2, and 2.4

Authorized By: Stephen Cha, MD, MHSR, 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 2026-037.

Submit comments by September 18, 2026, to:

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The agency proposal follows:

Summary

The Department of Human Services ("DHS" or "Department") is proposing amendments to N.J.A.C. 10:79B, Community Support Services for Adults with Mental Illnesses. Community support services (CSS) are mental health rehabilitation services and supports designed to assist an individual with mental illness to achieve and maintain a level of functioning that allows the individual to achieve community integration, and to remain in an independent living setting that they choose.

CSS for adults with mental illnesses are provided by Medicaid/NJ FamilyCare-enrolled providers who are also under contract with the Division of Mental Health and Addiction Services ("DMHAS" or "Division"). The Division of Mental Health and Addiction Services, also within the Department of Human Services, administers the program.

The proposed amendments clarify that an individual receiving programs of assertive community treatment (PACT) services, adult mental health rehabilitation (AMHR) services, or targeted case management (integrated case management services (ICMS)), or services from the project for assistance in transition from homelessness (PATH), cannot receive CSS simultaneously with those services, and codifies the Federal requirement that providers obtain and use a National Provider Identifier (NPI) and applicable taxonomy code when submitting claims.

At N.J.A.C. 10:79B-1.1, Definitions, the following terms are proposed to be defined: "National Plan and Provider Enumeration System (NPPES)," "National Provider Identifier (NPI)," and "taxonomy code."

Proposed new N.J.A.C. 10:79B-2.2(c) requires that all providers, as a requirement of being enrolled as Medicaid/NJ FamilyCare providers, shall have a valid NPI and taxonomy code obtained from the NPPES and