



State of New Jersey

DEPARTMENT OF HUMAN SERVICES
DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES
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Governor

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Director

September 18, 2017

RE: Coordination of Benefits Guidance: Habilitative Therapies

The Division of Medical Assistance and Health Services (DMAHS) and the Medicaid Fraud Division (MFD) have become aware of concerns presented by stakeholders related to the use of an individual's Division of Developmental Disabilities (DDD) budget to fund occupational, physical and speech therapy services for habilitation purposes. Specifically, stakeholders have complained that the process used to make payments for habilitative services is unduly burdensome. To address these concerns, DMAHS and MFD (collectively the "State") are issuing the guidance provided below.

The State has identified specific DDD-funded Waiver Services that are habilitative in nature, and thus, should not require a denial from a Medicaid beneficiary's managed care organization (MCO) in order for DDD to authorize approved providers to submit claims and be reimbursed. These services include:

- Physical Therapy – Individual (S8990HI)
- Physical Therapy – Group – Blended (S8990HIUN)
- Speech, Language & Hearing Therapy – Individual (92507HI)
- Speech, Language & Hearing Therapy - Group - Blended (92507HIUN)
- Occupational Therapy – Individual (97535HI)
- Occupational Therapy – Group – Blended (97535HIUN)

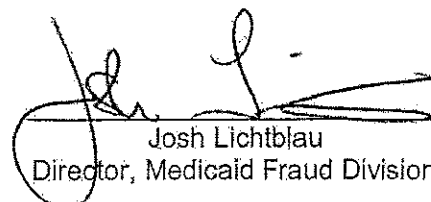
As with the provision of all medically necessary services, the fact that the services listed above are necessary for habilitation must be documented by an appropriate health care professional.

When therapies are rehabilitative in nature, an Explanation of Benefits (EOB) from the MCO still will be required prior to authorization to utilize DDD Waiver-funding.

We trust that the above will reduce the administrative burden that exists with respect to the submission of claims for the above-listed habilitative services and the payment for such claims.

Sincerely,


Meghan Davey
Director


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