

HUMAN SERVICES

DIVISION OF MENTAL HEALTH AND ADDICTIONS SERVICES

Outpatient Service Standards

Proposed Readoption: N.J.A.C. 10:37E

Authorized By: Jennifer Velez, Commissioner, Department of Human Services.

Authority: N.J.S.A. 30:9A-10.

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

Proposal Number: PRN 2013-113.

Submit comments by October 4, 2013 to:

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Legal Liaison

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The agency proposal follows:

Summary

Pursuant to N.J.S.A. 52:14B-5.1.c(2), N.J.A.C. 10:37E, Outpatient Service Standards, expires on December 24, 2013. The Department of Human Services (the Department), through the Division of Mental Health and Addictions Services (DMHAS) has reviewed these rules and has determined that their continued implementation would

benefit consumers, providers, and other members of the public by delineating specific standards to ensure the effective delivery of high-quality mental health services.

As the Department has provided a 60-day comment period for 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.

This chapter delineates requirements applicable to agencies licensed to provide outpatient services pursuant to N.J.S.A. 30:9A-1 et seq. (the Community Mental Health Services Act). As defined by N.J.A.C. 10:37E, outpatient services are mental health services provided in a community setting to consumers with psychiatric diagnoses, excluding those individuals with substance abuse issues or developmental disabilities. Periodic therapy, counseling, and supportive services are generally provided onsite at the provider agency for relatively brief sessions and may be provided individually or in group or family sessions.

N.J.A.C. 10:37E is comprised of two subchapters. Subchapter 1, General Provisions, describes the scope and purpose of the rules and defines words and terms used throughout the chapter. Subchapter 2, Program Operation, specifies requirements regarding written policies and procedures, services to be provided, service planning, termination of services, staffing requirements, and utilization review.

Since the last readoption of N.J.A.C. 10:37E (in 2006), DMHAS has pursued the process of implementing two major innovations that will impact that content of this chapter. First, pursuant to the Fiscal Year 2010 Budget, the former Division of Mental Health Services and the former Division of Addictions Services merged into a single agency, known as DMHAS. DMHAS is currently developing rules to govern integrated

treatment services that will more effectively serve individuals who experience one or both of these disorders. Second, pursuant to a comprehensive waiver to its State Medicaid Plan, DMHAS is in the process of redesigning the standards for mental health addictions service programs to reflect several delivery system reforms (including a fee-for-service model) that will result in improved delivery methods and quality and health outcomes, and increased availability of community based services and supports.

In addition, over the past seven years, the Department has monitored the provision of community mental health and addictions services throughout the State and has collaborated with mental health and substance abuse professionals in updating and clarifying regulatory language with the goal of improving these standards governing both programs. Recently, the Department determined that additional input from the provider, family, and consumer communities would further enhance the quality of these rules. To allow sufficient time for continued collaboration, the Department is seeking to propose N.J.A.C.10:37E for readoption without amendment at this time. After consultation with, and consideration of input from the provider, family, and consumer communities, the Department will propose substantive amendments to N.J.A.C. 10:37E.

Social Impact

The rules proposed for readoption are expected to positively impact consumers of mental health services by establishing and maintaining standards that will continue to promote the effective delivery of high quality services. Outpatient services enhance the quality of consumers' lives by preserving and improving consumer functioning, strengths, and resources, thereby allowing them to live independently in the community.

The resulting reduction in restrictive and expensive hospitalizations benefits both consumers and taxpayers.

Economic Impact

The rules proposed for re adoption will have a positive economic impact upon the indigent and limited-income consumers of State-funded mental health services by promoting the highest quality services for them at little or no personal expense. Overall, the Department believes the rules will not have any economic impact on funded agencies, since the agencies are adequately funded to provide the services as required.

Federal Standards Statement

A Federal standards analysis is not required because the rules proposed for re adoption without change are not subject to any Federal requirements or standards.

Jobs Impact

The rules proposed for re adoption without change will neither generate nor cause the loss of any jobs.

Agriculture Industry Impact

The rules proposed for re adoption without change would not have any impact on agriculture in the State of New Jersey.

Regulatory Flexibility Analysis

Some providers of Division-funded mental health services may be small businesses, as that term is defined under the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq. The rules proposed for re adoption without change set forth a number of reporting, recordkeeping, and compliance requirements on such agencies, deemed

necessary to ensure the efficient delivery of services, which are completely supported by State funds.

Specifically, providers shall develop and implement written policies and procedures that: (1) ensure compliance with N.J.A.C. 10:37E (N.J.A.C. 10:37E-2.1(a)1); (2) reflect operational standards and practices (N.J.A.C. 10:37E-2.1(a)2); (3) describe admission criteria and practices (N.J.A.C. 10:37E-2.2(a)); and (4) ensure effective provision of medication monitoring services (N.J.A.C. 10:37E-2.3(d)). In addition, providers shall maintain a written policy and procedure manual that is reviewed annually (N.J.A.C. 10:37E-2.1(a)1). Finally, providers shall complete and maintain progress notes (N.J.A.C. 10:37E-2.3(b), develop a written service plan for each consumer (N.J.A.C. 10:37E-2.4), develop and place in the consumer's record a written termination summary within 30 days following termination (N.J.A.C. 10:37E-2.5), and routinely collect and analyze data related to the effectiveness and utilization of outpatient services (OP) (N.J.A.C. 10:37E-2.7).

There is no need for such agencies to employ outside professional services to comply with the provisions, nor is there any requirement for them to expend capital costs to comply with the rules. Any costs of compliance incurred by the agencies are covered in the contracts between the agencies and the Division. The reporting, recordkeeping, and other compliance requirements imposed upon such agencies must be uniformly applied, regardless of the size of the agency, to ensure that individuals with mental illness receiving these services throughout the State do so in accordance with basic minimum standards of quality and effectiveness. These standards are important because the individuals with mental illness receiving these services typically have been

psychiatrically hospitalized and would be at risk of additional costly and personally disruptive hospitalizations in the absence of quality community services delivered in accordance with these standards.

Housing Affordability Impact Analysis

The rules proposed for readoption will have an insignificant impact on affordable housing in New Jersey and there is an extreme unlikelihood that the rules would evoke a change in the average costs associated with housing because the rules pertain to outpatient service standards.

Smart Growth Development Impact Analysis

The rules proposed for readoption will have an insignificant impact on smart growth and there is an extreme unlikelihood that the rules would evoke a change in housing production in Planning Areas 1 or 2, or within designated centers, under the State Development and Redevelopment Plan in New Jersey because the rules pertain to outpatient service standards.

Full text of the rules proposed for readoption may be found in the New Jersey Administrative Code at N.J.A.C. 10:37E.