NJ DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

NJ FAMILYCARE BEHAVIORAL HEALTH INTEGRATION: END OF PHASE 1 TRANSITION PERIOD PROVIDER GUIDANCE

NJ FamilyCare is in the process of shifting behavioral health (BH) services from direct Medicaid fee-for-service billing to management and reimbursement through Medicaid managed care organizations (MCOs). As of January 1, 2025, additional outpatient BH services for adults and youth are integrated under managed care. The State established a Phase 1 transition period for the first 11 months of implementation to allow flexibility for members and providers during the shift of coverage to managed care. **Beginning November 1, 2025, DMAHS will begin a process to end the Phase 1 transition period for all MCOs. MCOs will end their transition period at different times in accordance with successful completion of their final readiness reviews. Aetna will be the first MCO to end the Phase 1 transition period on November 1.** Providers will receive advanced notice from DMAHS and the MCOs at the end of each MCO's transition period.

Transition period policies and changes after October 31, 2025

- **Prior authorizations:**
  - As of July 1, 2025, in-network and out-of-network providers must submit PA requests for all PA-required Phase 1 BH services, which MCOs are required to auto-approve; PA-required services must have a PA on file for the claim to be paid
  - **As of November 1, 2025,** providers must continue to submit PA requests for all PA-required Phase 1 BH services. Aetna will apply medical necessity criteria to review all submitted PA requests where the start date of the service is on or after November 1
    - All other MCOs besides Aetna will continue to auto-approve all PA requests until further notice
- **Out-of-network claims payments:**
  - From January 1 to October 31, 2025, MCOs must have paid all clean claims for Phase 1 BH services submitted by out-of-network providers at or above the fee-for-service (FFS) rates[1]
  - **As of November 1, 2025,** Aetna has chosen to continue to pay out-of-network providers without continuity of care agreements at the FFS rate floor. Therefore, the out-of-network claims payment policy will remain the same for all MCOs until further notice

What to do to prepare for the end of the transition period

Guidance for all Phase 1 BH providers

- Ensure staff know the prior authorization (PA) process for each MCO, including:
  - How to submit mental health (MH) PA requests accurately through the MCO provider portals or other methods
  - How to submit substance use disorder (SUD) PA requests accurately through NJSAMS
- Check to ensure PAs are active and on file for members in care when the transition period ends
- Access materials for detailed PA guidance:
  - Sept 2025 MH and SUD PA Guidance and Medical Necessity Training Presentations
  - March 2025 PA Refresher Training Presentation and FAQs
  - Provider Guidance Packet

[1] https://www.njmmis.com/RateInformation.aspx

Guidance for out-of-network Phase 1 BH providers

- At this time, MCOs are required to accept any willing and qualified provider. If you are unwilling to contract or credential with all your members' MCOs before November 1, 2025, and that MCO is ending transition period policies, please follow the next steps outlined below:
  - If a member wants to continue receiving care through you as their provider, begin the authorization / SCA process with the member's MCO by reaching out to the MCO's network representative
  - Refer members to MCO BH Care Management, where they can get connected with a care manager who will help them find providers in-network
    - Find contact information for referrals on pg. 74-75 of the Provider Guidance Packet posted on the BH Integration Stakeholder Information website

PA requirements for out-of-network providers, including those with single case agreements, vary by MCO; providers should refer to the MCO to understand which services require a PA

Need help?

- First, visit the BH Integration Stakeholder Information website to find helpful resources with detailed program guidance, including the provider guidance packet and former DMAHS-led BH Integration training materials
- Reach out to the MCOs for member-specific inquiries and MCO-related questions. Find the MCO points of contact in the DMAHS BH Integration Points of Contact document
- If you still cannot reach a resolution, please contact DMAHS Office of Managed Health Care (OMHC) or the BH Unit based on your specific inquiry
  - Contact OMHC at mahs.provider-inquiries@dhs.nj.gov for issues related to contracting and credentialing, claims and reimbursement, or prior authorizations
  - Contact the BH Unit at dmahs.behavioralhealth@dhs.nj.gov for general questions around policies and guidelines or access to services

DMAHS Behavioral Health Integration Stakeholder Information Website:

https://www.nj.gov/humanservices/dmhas/information/stakeholder/

End-of-transition Period Readiness Checklist

- ☐ Set up access to all MCO provider portals
- ☐ Ensure access to NJSAMS for SUD PA submissions
- ☐ Outreach all members who are enrolled in health plans that I am not contracted with
- ☐ If needed, set up continuity of care agreements with all MCOs that I am not contracted with
- ☐ Confirm out-of-network reimbursement rates with all MCOs that I am not contracted with
- ☐ Understand all MCO BH Care Management referral processes
- ☐ Check PA service requirements with each MCO based on contracting status
- ☐ Ensure all PAs for members in care through November 1, 2025, are active and on file