

Behavioral Health Integration Advisory Hub Meeting #10 (May 30, 2025)
Summary of Stakeholder Feedback

The Behavioral Health (BH) Integration Advisory Hub met on May 30, 2025. Facilitators from the Center of Health Care Strategies (CHCS) started the meeting by reviewing the proposed services and implementation dates for each of the three phases of integration. Staff from the Division of Medical Assistance and Health Services (DMAHS) Behavioral Health Unit then presented a Phase 1 monitoring update, which included a reminder that the State will end transition period policies after June 30, 2025.

As part of Phase 1 monitoring, DMAHS shared key performance metrics on provider networks and claims denial rates and outlined steps taken by the State to address key areas of concern. For example, DMAHS highlighted that the State has directly outreached providers to ensure submission of prior authorizations before the end of the transition period and published an updated Provider Guidance packet to address frequently asked questions. Work is also underway to further integrate NJSAMS with MCO prior authorization systems and reorganize the stakeholder information website.

During the Phase 1 transition period, MCOs were required to automatically approve all prior authorization (PA) requests and pay out-of-network providers at least Medicaid FFS rates for clean claims. Beginning July 1, 2025, MCOs will be allowed to apply medical necessity criteria when reviewing PA requests. They will also no longer be required to pay Medicaid fee-for-service rates to out-of-network providers without continuity of care agreements (e.g., single case agreements, authorizations). However, MCOs must still contract with any willing and qualified provider and pay at least Medicaid fee-for-service rates to in-network providers.

In preparation for the changes to come with the end of the Phase 1 transition period, DMAHS is evaluating each MCO's readiness and may require some MCOs to continue implementing transition period policies until the State determines they are ready to return to normal operations. To support a smooth transition, DMAHS has developed materials for both providers and members to address questions about the end of the transition period and to minimize disruptions in service delivery. These materials are available on the [Behavioral Health Integration Stakeholder Information website](#).

Next, providers, members, and advocates shared feedback on Phase 1 implementation. The feedback collected was categorized under the following topics:

- **End of the transition period:** Participants shared questions on how the end of the transition period will impact reimbursement rates and how the State will communicate which MCOs will continue implementing the transition period policies after June 30. DMAHS will communicate important updates via email and with support from provider associations and partners.
- **Prior authorization (PA):** Some providers have found that PAs are sometimes required for services that do not require one, approvals are being received across various communication methods, and some PA decisions are being received past required turnaround times. Concerns were also raised regarding providers' struggle to obtain PAs for services such as partial care and partial hospitalization. Providers have noted that addressing these issues leads to significant administrative burden on staff, which is impacting service delivery.

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- **Billing and claims processing:** Participants report continued denied claims for partial hospitalization program, mental health (MH) partial care transportation, and group and individual psychotherapy services delivered on the same day. DMAHS has published a [one-pager](#) with MCO-specific billing instructions on how to correctly submit claims for MH partial care transportation and is working with the MCOs to address denials received for duplicate claims and members with Medicare.
- **Training and education on transition:** Participants requested training on the medical necessity criteria that the MCOs will use when reviewing PA requests beginning July 1 and opportunities to meet with the MCOs to address outstanding questions and concerns.

Additionally, CHCS and DMAHS facilitators briefly introduced Phase 2 services, which include residential services and opioid treatment programs. These services will be integrated into managed care at a later date that is still to be confirmed, but no earlier than January 1, 2026. Phase 2 services encompass fewer providers and members than Phase 1, and many Phase 2 providers have existing experience with managed care through either delivering services to specialty populations or providing Phase 1 services. An initial series of focus groups were hosted with Phase 2 providers to understand their experiences with managed care, where positive experiences and concerns were expressed. The State will host additional focus groups over the next several months as Phase 2 planning continues.

To conclude the meeting, facilitators shared provider and member resources available on the [Behavioral Health Integration Stakeholder Information website](#).

- For providers, available resources include a guidance packet, points of contact document, BH Integration overview and FAQ pamphlet, and DMAHS provider training presentations, recordings and FAQs.
- For members, families, and caregivers, a BH Integration overview document, BH Integration FAQ document, and care management FAQ document are available.
- Stakeholders can also register for upcoming meetings and access previous training materials. DMAHS will host in-person office hours for providers on June 26, 2025.

More information on this Advisory Hub meeting can be found in the meeting slides, which will be shared via email with the Advisory Hub email list and posted online on the [Behavioral Health Integration Stakeholder Information website](#). If stakeholders have any questions, they can contact the DMAHS Behavioral Health Unit at dmahs.behavioralhealth@dhs.nj.gov. The next meeting of the Advisory Hub will take place on July 23, 2025 at 10am EST.