



State of New Jersey

DEPARTMENT OF HUMAN SERVICES
DIVISION OF MENTAL HEALTH AND ADDICTION SERVICES
222 SOUTH WARREN STREET
PO Box 700
TRENTON, NJ 08625-0700

CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

ELIZABETH CONNOLLY
Acting Commissioner

VALERIE L. MIELKE, MSW
Assistant Commissioner

April 18, 2016

Dear Provider

I want to take an opportunity through this quick note to express appreciation to those of you who were so responsive to our request for data and case information related to the new rates and transition to fee for service. The input was extremely valuable to the Division's fiscal staff and gave them the specifics they needed to run updated rate models.

From the beginning, we knew that this process would be fluid, which is why we have met with many of you, individually and collectively, over hundreds of meeting hours for several months. Because of this thoughtful and collaborative approach to a very complex and critical issue, we're advancing practical and productive changes that will benefit some of New Jersey's most vulnerable residents, which is our shared mission and our shared duty.

Throughout the rate setting process, I have made it a priority to communicate regularly with all of you. Every step of the way, the Division staff and I have made awareness, outreach and provider input a hallmark. The programs and services provided by and through the state depend upon the strength of our partnership based on our common goals.

To that end, after the initial rate presentations the following rates were increased to enable agencies to hire staff to treat individuals who have a co-existing mental illness and substance use disorder: intensive outpatient treatment, methadone treatment in an opioid treatment program and buprenorphine treatment in an opioid treatment program.

Also, the Division staff has received data from several agencies associated with certain Outpatient Service rates. This data is currently under review. Additionally, the proposed state rate for Programs in Assertive Community Treatment (PACT) will be increased to match the new PACT Medicaid rate. Data was the driving force for these adjustments. It allowed us to identify utilization patterns and gaps that couldn't be enumerated with anecdotal references.

The Division also is considering glide path options that may mitigate potential issues that arise during this early phase of the transition. We've heard your suggestions and we will be disseminating more information on that in the coming weeks.

In May and June, the Division will hold three Listening Sessions with providers so that we can continue the dialogue needed to move forward with the fee for service system. We'll also have an information session for consumers and family members.

As always, I remain accessible and open to your constructive ideas and recommendations.

Sincerely,

A handwritten signature in blue ink that reads "Val Mielke". The signature is written in a cursive style with a large, looped initial "V".

Valerie L. Mielke
Assistant Commissioner