

Division of Mental Health & Addiction Services
wellnessrecoveryprevention
laying the foundation for healthy communities, together



MENTAL HEALTH FEE FOR SERVICE (FFS) UPDATE

**VALERIE MIELKE, ASSISTANT COMMISSIONER, DMHAS
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MANAGEMENT, DHS
RENEE BURAWSKI, DMHAS - CHIEF OF STAFF, DMHAS**



Mental Health Fee For Service (FFS) December 1, 2016 Agenda



Welcome & Introduction

Valerie Mielke, Assistant Commissioner, DMHAS

FFS-Program Presentation

**Roxanne Kennedy, Director Behavioral Health Management,
DHS**

Renee Burawski, DMHAS - Chief of Staff, DMHAS

FFS-Program Q/A

~Break~

FFS NJMHAPP Presentation

Brian Regan, Assistant Divisional Director (OIS)

FFS-NJMHAPP Q/A

~Adjournment~



Topics



DHS/DMHAS Planning for FFS Transition

Eligibility for state only funds

Programs Transitioning to FFS

Key Assumptions for Medicaid & State Billing

FFS Transition Timeline

Rates : DMHAS Response to Provider Feedback

State Guidelines on Reimbursement for Medicaid Non-Reimbursable Services

Fiscal Overview of FFS

Questions



DHS/DMHAS Planning for FFS Transition



DHS hired Director of Behavioral Health Management and FFS Project Manager to oversee all aspects of the FFS transition.

Internal Workgroups created to guide the FFS transition:

- Fiscal/Contracts
- Medicaid
- Provider Network
- Quality Assurance
- Stakeholder/Communication
- Information Technology

Creation of Mental Health FFS Stakeholder group with key MH representatives:

- NJAMHAA
- NJ Association of Co. MH Administrators
- NAMI
- Consumer and family member

New Jersey Mental Health Application for Payment Processing (NJMHAPP)

- A comprehensive system solution to facilitate Mental Health State fund reimbursement



Program Eligibility



- Individual meets program eligibility criteria as outlined in regulation or policy
- Individual does not have private insurance or their private insurance does not cover the service/treatment, i.e. PACT
- ≥ 5 years of age and not receiving mental health services from CSOC



Mental Health Programs transitioning to FFS



January 2017	July 2017	Programs under consideration
PACT	CSS	Training and TA
ICMS		Specialized Services (i.e. EISS, Justice Involved Services)
OP		IOC
MH Residential-Level A+, A, B & FamilyCare		IFSS
Supported Employment/Education		
Partial Care		
Partial Hospitalization		



Key Assumptions: State Funds & Medicaid Billing



- Medicaid **precedes** State funding for Medicaid eligible consumers and covered services.
- Providers (including SE providers) are **required** to enroll as a Medicaid provider if receiving state funds. (Application information at: <http://njmmis.com>)
- Providers transitioning to FFS are **strongly encouraged** to become Presumptive Eligibility (PE) certified.
- For most Medicaid-eligible services, State rates are set at 90% of the Medicaid rate.
- Where there are compatible Medicaid business rules, the same business rules will be applied to State FFS payments.
- Full compliance with DMHAS regulations and contract requirements is mandatory including Annex As, QCMRs & USTFs



FFS Timeline



Feb-April
2016

- Rates Presentation to Stakeholders
- DMHAS Internal Workgroup Assignments
- NJMHAPP Development begins
- MH FFS Stakeholder Group members selected

May-June
2016

- Regional Stakeholder Listening Sessions
- MH FFS Stakeholder Group Meetings: Kick-Off (May) and Monthly (June)
- Consumer and Family Listening Session

July-August
2016

- Providers Decision re: Transition Date Due
- Internal Testing of NJMHAPP
- MH FFS Stakeholder Group Meetings
- Rates Adjustments made

FFS Timeline (continued)



September
2016

- Information Session for Providers Transitioning in January 2017 and MH FFS Stakeholder Group

October
2016

- User Acceptance Testing of NJMHAPP
- Cash Advance Policy and Process Disseminated

Nov-Dec 2016
January 2017

- Provider Wide Testing of NJMHAPP
- Launch NJMHAPP



Outcome of Regional Listening Sessions & Stakeholder Workgroups



Provider/Stakeholder Concerns	Completed	Pending
Rates		
PACT Monthly Service Rate	X	
Evaluation & Management Rate	X	
Psychiatric Evaluation rates	X	
CSS Peer rate	X	
CSS Licensed/Clinical staff rate	X	
Non-Medicaid Reimbursable Items		
PACT /ICMS Hospital In-Reach Services	X	
30 Day Residential Bed Holds	X	
Bed Hold Extension Requests	X	
Partial Care Transportation (Non-Medicaid)	X	
Outpatient Services to Children/Adolescents		X
Outpatient High Deductible/Co-Pay Plans		X
Sliding Fee Scale		X



DMHAS Response to Provider Feedback on Rates



Service	Proposed Rate	Caid Rate	State Rate	Comment
PACT	\$ 1,339.02	\$ 1,487.81	\$1,487.81	Equal to full Medicaid PACT rate
CSS - MA level <i>licensed clinical</i> (15 minute unit)	\$ 31.42	\$ 35.85	\$32.27	Accounts for staff recruitment and retention
Psych Evaluation <i>without</i> Medical Service (licensed clinical social worker and psychologist)	\$ 140.24	\$ 157.94	\$142.15	
Psych Evaluation <i>with</i> Medical Service (psychiatrist or APN)	\$ 157.94	\$ 325.00	\$292.50	
Evaluation and Management for an <i>established patient</i> (15 minute unit)	\$40.88	\$40.88	\$40.88	Rate Remains Same
CSS Peer (15 minute unit)	\$16.62	\$16.62	\$14.96	Rate Remains Same



When to Use NJMHAPP for Reimbursement



When to use NJMHAPP

Service	Medicaid Member	Uninsured
OP		✓
PACT		✓
ICMS		✓
RESIDENTIAL		✓
RESIDENTIAL ROOM/BOARD	✓	✓
PARTIAL CARE/HOSPITAL		✓
PARTIAL CARE TRANSPORTATION		✓
SUPPORTED EMPLOYMENT	✓	✓
SUPPORTED EDUCATION	✓	✓
PACT IN-REACH	✓	✓
ICMS IN-REACH	✓	✓
*BED HOLDS	✓	✓
*BED HOLD EXTENSIONS	✓	✓

*In a future version of NJMHAPP



State Guidelines for Non-Medicaid Reimbursable Items



- PACT & ICMS In-Reach
- Residential Room & Board
- 30 Day Residential Bed Hold and Bed Hold Extensions
- Partial Care Transportation for non-Medicaid eligible consumers
- Outpatient for Children & Adolescents

PACT & ICMS Hospital In-Reach



- Definition of '**In-Reach**' : Services provided consumers in an inpatient setting, or correctional facility
- Medicaid cannot be billed for in-reach services
- Provision of services to continue during periods of inpatient care & incarceration.
- **PACT**: regulatory service provision of 2 hours must be met to bill the State for full PACT reimbursement rate
- **ICMS**: reimbursement at the full State rate for each 15 minutes of service (TCM In-Reach \$34.31)
 - Maximum of 8 units (2 hours) of hospital in-reach per month
 - Total hospital and/or correctional facility maximum of 32 units (8 hours) per episode.
- Consumer must be enrolled in service at inpatient admission to receive in-reach reimbursement.



Residential Room & Board



- Not a Medicaid billable service
- Covered within the cost reimbursement contract
- Offset some of the room & board cost via direct consumer residential fees
- Under FFS:
 - Medicaid enrolled consumers:
 - Medicaid billed for the appropriate level of care for services
 - Room & board billed to the state (per diem \$27.47)
 - Non-Medicaid eligible consumers
 - State billed for the appropriate level of care for services
 - State billed for room & board concurrently
- Residential Fees/Co-pays:
 - Deducted from the room & board reimbursement



Bed Hold (30 Day)



- **Supervised housing providers subject to:**
 - **Regulations:** required to maintain a consumer's placement during periods of brief hospitalization and temporary absences
 - **Time requirement:** a period of at least 30 days from the date of admission to the hospital or the beginning of the temporary absence.
 - **Billing limitation:** prohibited from billing Medicaid for treatment during any 24-hour period that the consumer is not physically present in the supervised residence.

- **State rate for Bed Hold (Medicaid-eligible and non-Medicaid eligible consumers):**
 - Per diem rate for the appropriate level of care during the 30 Day Bed Hold period (excluding room & board).



Bed Hold Extension Request (beyond 30 Day)



A request for reimbursement will be considered by the Division for bed holds beyond the initial, consecutive, 30 day period.

Criteria required:

- Consumer's continued absence is due to ongoing receipt of inpatient psychiatric services
- Hospital treatment team can project a discharge date in the reasonably foreseeable future
- Clinical information indicates imminent re-occupation of the bed
- Loss of placement would delay the consumer's discharge



Partial Care Transportation for Non-Medicaid Eligible Consumers



- Medicaid billable for Medicaid enrolled consumers
- Medicaid rate: \$7.00 per one way trip
- State rate: 90% of Medicaid rate = \$6.30
- Providers can bill 2 units per day with a partial care day



Outpatient for Children/Adolescents



- Some contracts include funds for the treatment of children and adolescents, in addition to adults in outpatient services.
- Under FFS:
 - Interim measure: State fund reimbursement for eligible children for outpatient services.
 - Long term: Identified funds will be transferred to the Department of Children and Families' Children's System of Care. Target date is to be determined.



Third Party Insured



- State funds will no longer wraparound or subsidize Third Party Liability (TPL) or Charity Care (CC) reimbursements.
- Providers may not seek reimbursement via NJMHAPP for services covered by TPL or CC applicable services.
- Issue of high deductible & copays is currently under review by DHS/DMHAS



Fiscal Overview of FFS



- Monthly limits
- Budget Matrix
- Sliding Fee Scale
- Non-payment of co-pays
- Manual Processes



Monthly Limit & Payment



- Monthly limits are being developed at the beginning of the initiative by Fiscal staff
- The Division is using historical QCMR data, survey data and new state rates to develop annual limits for each provider
- Providers will input consumer claim information into NJMHAPP for payment



Monthly Limit & Payment



- Providers will be paid every 2 weeks by Molina
- Payment received from Molina for DMHAS billing will have an assigned Control Number to denote state funds.
- A DMHAS Fiscal staff member will be reviewing claims every 2 weeks based on Provider data entered into NJMHAPP and approve payments.
- All claims for FFS for a given service month must be entered no later than the fifteenth (15th) of the following month in order to be paid



Monthly Limits



- Providers will have monthly maximum limit of State funds.
- Unused monthly limits will not automatically roll over to be available in subsequent months.
- Process to address unused monthly limits via redistribution or carry over is under review.



Unused Monthly Limits



- Variances between actual monthly expenses versus monthly limits will be closely monitored by Fiscal staff
- Possible adjustments may be made to monthly limits in future months for providers based on the trend in their financial activity.



FFS Programs and Budget Matrix



- Providers transitioning all DMHAS programs to FFS 1/1/17 will no longer need to submit contract budgets/ROE's
- Providers that have DMHAS programs in FFS **and** in cost related contracts will need to reflect the FFS program on the budget/ROE documents **if** the programs share any direct or indirect costs with the cost-related programs
- Sufficient detail will be required on the budget/ROE to assure the appropriateness of indirect and shared cost allocations



Sliding Fee Scale



- Standard consumer co-pay policy for State-funded services under development.
- Implementation January 2017:
 - Consumer fees collected to be reported to DMHAS fiscal, deducted from future payment
- Future Implementation :
 - Co-pays for other services
 - Enhancements to NJMHAPP to deduct co-pays for other services



Non-payment of Cost Sharing



- **Residential services:**
 - Room and Board co-pays will be reimbursed for up to 30 days of service.
 - After 30 days, documentation relating to collection efforts required.



Potential Manual Processes



- **Bed Hold Extension Request Beyond 30 Days**
- **No Medicaid Provider #**
- **Adjustment of payment for client co-pay, other than room & board**
- **Reimburse provider for uncollected client co-payments for room & board**
- **Reimburse provider for any encounters that were deferred by fiscal staff**



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QUESTIONS

Additional questions can be submitted to
FFS.Transition@dhs.state.nj.us

