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State/Territory Name: New Jersey

State Plan Amendment (SPA) #: NJ-14-008

This file contains the following documents in the order listed:

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
New York Regional Office
26 Federal Plaza, Room 37-100
New York, NY 10278

CENTERS FOR MEDICARE & MEDICAID SERVICES

DIVISION OF MEDICAID AND CHILDREN'S HEALTH OPERATIONS

DMCHO: JM

January 12, 2015

Valerie Harr
Director
Department of Human Services
Division of Medical Assistance and Health Services
P.O. Box 712
Trenton, NJ 08625-0712

RE: NJ SPA #14-008

Dear Director Harr:

This is to notify you that New Jersey State Plan Amendment (SPA) #14-008 has been approved for adoption into the State Medicaid Plan with an effective date of May 6, 2014. The SPA was submitted to amend the New Jersey Medicaid State Plan, allowing New Jersey to provide Psychiatric Emergency Rehabilitation Services (PERS) to individuals experiencing a behavioral health crisis.

Enclosed are copies of SPA #14-008 as approved. If you have any questions or wish to discuss this SPA further, please contact Ricardo Holligan or John Montalto. Mr. Holligan may be reached at (212) 616-2424, and Mr. Montalto's telephone number is (212) 616-2326.

Sincerely,

/s/

Michael J. Melendez
Associate Regional Administrator
Division of Medicaid and Children's Health Operations

Enclosures: CMS 179 Form
State Plan Pages

cc: RHolligan
SJew
MLopez
RWeaver
EKisiday
MHarris
JClose

DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE AND MEDICAID SERVICES

FORM APPROVED
OMB NO. 0938-0193

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES

1. TRANSMITTAL NUMBER: 14-008-MA(NJ)

2. STATE: New Jersey

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
CENTERS FOR MEDICARE AND MEDICAID SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
~~May 1, 2014~~ May 6, 2014

5. TYPE OF PLAN MATERIAL *(Check One)*:

☐ NEW STATE PLAN ☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN ☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT *(Separate Transmittal for each amendment)*

6. FEDERAL STATUTE/REGULATION CITATION:

Section 1905 of the Social Security Act

7. FEDERAL BUDGET IMPACT
FFY 2014: ~~$2.9M~~ 5 4.7 m
FFY 2015: ~~$11.5M~~ 11.6 m

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:
13(d) 9f - k
Addendum to Attachment 3.1 A, pages ~~13d 9 f through l~~
Addendum to Attachment 3.1A, pages 13d f through k
Attachment 4.19B page 28.1
Attachment 4.19B page 1

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If Applicable)*:
New
New
New
Attachment 4.19B page 1

10. SUBJECT OF AMENDMENT:
Psychiatric Emergency Rehabilitative Services (PERS)

11. GOVERNOR'S REVIEW *(Check One)*:
☐ GOVERNOR'S OFFICE REPORTED NO COMMENT
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL
☒ OTHER, AS SPECIFIED:
Not required, pursuant to 7.4 of the Plan

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME: **Jennifer Velez**

14. TITLE: **Commissioner**

15. DATE SUBMITTED: 6/30/14

16. RETURN TO:

Valerie Harr, Director
Division of Medical Assistance and Health Services
P.O. Box 712, #26
Trenton, NJ 08625-0712

JANUARY 12, 2015

MAY 06, 2014

/s/

MICHAEL MELENDEZ

ASSOCIATE REGIONAL ADMINISTRATOR
DIVISION OF MEDICAID AND CHILDREN'S HEALTH OPERATIONS

FORM CMS-179

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
STATE OF NEW JERSEY

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES FOR NON-INSTITUTIONAL SERVICES

The reimbursement methodologies for the following services are contained in this attachment.

OFFICIAL

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
State of New Jersey

Reimbursement for Rehabilitation Services – Psychiatric Emergency Rehabilitation Services

Reimbursements for services are based upon a Medicaid fee schedule established by the State of New Jersey. Fee-for-service rates are developed based on the average cost per billable unit. Reimbursement for site-based and mobile PERS is on a fee for-service basis, consistent with the national correct coding initiative and HCPCS coding, for all the services provided for direct face-to-face time spent in care by non-physician assessors and specialists. Psychiatrists and other licensed professionals bill their direct care separately via CPT codes (i.e., all service billing will be unbundled). The provider may only bill for the amount of face-to-face time actually provided, for stabilization management.

The fees in the referenced State's fee schedules were set on January 1, 2014 and are effective for services provided on or after that date and are published on the Department's fiscal agent's website at www.njmmis.com under the link for "rate and code information".

OFFICIAL

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
Limitations on Amount, Duration and Scope of Services
Provided to the Categorically Needy

13(d).9 Rehabilitation Services (cont'd)

Community Mental Health Rehabilitation Services –
Psychiatric Emergency Rehabilitation Services (PERS)

No prior authorization required; NJ FamilyCare Plan A Standard Medicaid

Service Description:

Psychiatric Emergency Rehabilitation Services (PERS) services are provided to a person who is experiencing a behavior health crisis. PERS services are designed to interrupt and/or ameliorate a crisis experience including an assessment, immediate crisis resolution and de-escalation, and referral and linkage to appropriate services to avoid, where possible, more restrictive levels of treatment. The goals of PERS are symptom reduction, stabilization, and restoration to a previous level of functioning. All activities must occur within the context of a potential or actual behavioral health crisis. PERS is a face-to-face intervention and can occur in a variety of locations, including but not limited to an emergency room or clinic setting, in addition to other community locations where the person lives, works, attends school, and/or socializes. Eligible providers of PERS services must meet the rehab qualifications in this section and individuals may choose from any providers meeting the established provider qualifications.

Specific services include;

A. An assessment of risk and mental status; as well as the need for further evaluation or other mental health services. Includes contact with the client, family members or other collateral sources (e.g. caregiver, school personnel) with pertinent information for the purpose of an assessment and/or referral to other alternative mental health services at an appropriate level.

B. PERS including crisis resolution and de-briefing with the identified Medicaid eligible individual.

C. Follow-up with the individual, and as necessary, with the individual's caretaker and/or family member(s).

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
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13(d).9 Rehabilitation Services (cont'd)

Community Mental Health Rehabilitation Services –
Psychiatric Emergency Rehabilitation Services (PERS)

D. Consultation with a physician or with other qualified providers to assist with the individuals' specific crisis

Certified assessors and/or licensed professional of the healing arts shall assess, refer and link all Medicaid eligible individuals in crisis. This shall include but not be limited to performing any necessary assessments; providing crisis stabilization and de-escalation; development of alternative treatment plans; consultation, training and technical assistance to other staff; consultation with the psychiatrist; monitoring of consumers; and arranging for linkage, transfer, transport, or admission as necessary for Medicaid eligible individuals at the conclusion of the PERS.

PERS specialists shall provide PERS counseling, on and off-site; monitoring of consumers; assessment under the supervision of a certified assessor and/or licensed professional of the healing arts; and referral and linkage, if indicated. PERS specialists who are nurses may also provide medication monitoring and nursing assessments.

Psychiatrists in each crisis program perform psychiatric assessments, evaluation and management as needed; prescription and monitoring of medication; as well as supervision and consultation with PERS program staff.

Consumer Participation Criteria

These rehabilitation services are provided as part of a comprehensive specialized psychiatric program available to all Medicaid eligible consumers. PERS services must be medically necessary. The medical necessity for these rehabilitative services must be recommended by a licensed practitioner of the healing arts who is acting within the scope of his/her professional licensed and applicable state law to promote the maximum reduction of symptoms and/or restoration of an individual to his/her best age-appropriate functional level. All individuals who are identified as experiencing a seriously acute psychological/emotional change which results in a marked increase in

New

TN No. 14-008
Supersedes: New

Approval Date: January 12, 2015
Effective Date: May 06, 2014

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13(d).9 Rehabilitation Services (cont'd)

Community Mental Health Rehabilitation Services –
Psychiatric Emergency Rehabilitation Services (PERS)

personal distress and which exceeds the abilities and the resources of those involved to effectively resolve it are eligible. Individuals may choose from any providers meeting the established provider qualifications outlined in this State Plan.

Provider Qualifications:

Programs shall be certified by Medicaid and/or its designee as meeting state requirements for PERS programs.
PERS services are delivered by certified assessors, PERS specialists, and licensed professionals of the healing arts. Certified assessors must have:

1. a MA/MS in a mental health related field from an accredited institution, plus one year of post-master's full time professional experience in a psychiatric setting; OR

2. a BA/BS in a mental health related field from an accredited institution, plus three years of post-bachelor's full time professional experience in a mental health setting, one of which is in a crisis setting; OR

3. a BA/BS in a mental health related field from an accredited institution, plus two years of post-bachelor's full time professional experience in a mental health setting, one of which is in a crisis setting and currently enrolled in a master's program; OR

4. a licensed registered nurse with three years full-time, post RN, professional experience in the mental health field, one of which is in a crisis setting.

PERS specialists shall have:

1. A MA/MS in a mental health related field from an accredited institution; OR

2. A BA/BS in a mental health related field from an accredited institution, plus two years of full time professional experience in a psychiatric setting; OR

3. Licensure as a registered professional nurse.

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13(d).9 Rehabilitation Services (cont'd)

Community Mental Health Rehabilitation Services –
Psychiatric Emergency Rehabilitation Services (PERS)

Each PERS program is supervised by a medical director who is a psychiatrist. A licensed professional of the healing arts who is acting within the scope of his/her professional license and applicable state law is available for consultation and able to recommend treatment 24 hours a day, seven days a week to the PERS program.

Amount, Duration and Scope:

A unit of service is defined according to the HCPCS approved code set unless otherwise specified. Psychiatrists and licensed professionals will bill separately from assessors and specialists for the time spent in direct therapy per direct therapy CPT coding (i.e., all service billing will be unbundled).

PERS services by their nature are crisis services and are not subject to prior approval. However, documentation justifying PERS services shall be made available by the PERS provider to the State or its designee upon request. Components that are not provided to, or directed exclusively toward the treatment of, the Medicaid eligible individual are not eligible for Medicaid reimbursement.

The PERS services should follow any established crisis plan or psychiatric advanced directive (PAD) already developed for the consumer as part of an individualized treatment plan, called a care plan. The PERS activities must be intended to achieve identified care plan goals or objectives.

If no crisis plan has yet been developed for the consumer, then the PERS services should stabilize the individual, identify appropriate aftercare for the consumer including referral and linkage to a community provider who will develop a formal care plan, admission to an inpatient/residential setting where a formal care plan will be developed or the development of an alternative care plan by the certified assessor. In all circumstances, the goal of PERS should be the de-escalation and stabilization of the individual as well as determining longer-term care goals through the implementation of

New

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13(d).9 Rehabilitation Services (cont'd)

Community Mental Health Rehabilitation Services –
Psychiatric Emergency Rehabilitation Services (PERS)

or development of a care plan either directly or through referral. The crisis/aftercare/care plan (care plan) should be developed in a person-centered manner with the active participation of the individual, family and providers and be based on the individual's condition and the standards of practice for the provision of these specific rehabilitative services. An individual in crisis may be represented by a family member or other collateral contact that has knowledge of the individual's capabilities and functioning. The care plan should identify the medical or remedial services intended to reduce the identified condition as well as the anticipated outcomes of the individual. The care plan must specify the frequency, amount and duration of services. The care plan must be recommended by a licensed practitioner of the healing arts and should, where possible, be signed by the consumer as appropriate for his or her diagnosis. The care plan developed during PERS will specify a timeline for reevaluation as applicable. Ideally, the care plan developed in PERS will be replaced almost immediately (e.g., in a few weeks) by a more permanent care plan once the individual is stabilized and in a longer term community or institutional placement. The reevaluation should involve the individual, family and providers and include a reevaluation of plan to determine whether services have contributed to meeting the stated goals. A new care plan should be developed if there is no measureable reduction of disability or restoration of functional level. The new plan should identify a different rehabilitation strategy with revised goals and services. Coordination with crisis intervention teams in community support services is required and includes receiving referrals from individuals enrolled in that program and ensuring coordination back to that community program where necessary de-escalation and stabilization has occurred.

Substance use must be recognized and addressed in an integrated fashion as it may add to the risk of increasing the need for engagement in care. Individuals may not be excluded from service due to active, current, substance abuse or history of substance abuse.

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
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13(d).9 Rehabilitation Services (cont'd)

Community Mental Health Rehabilitation Services –
Psychiatric Emergency Rehabilitation Services (PERS)

Limitations:

Providers must maintain medical records that include a copy of the care plan, the name of the individual, dates of services provided, nature, content and units of rehabilitation services provided, and progress made toward functional improvement and goals in the care plan. Services cannot be provided to a resident of an institution including any residents of Institutions for Mental Disease (IMD). Room and board is not included in any PERS reimbursement rates.

Services provided to children and youth must include communication and coordination with the family and/or legal guardian and custodial agency for children in state custody. Coordination with other child serving systems should occur as needed to achieve the treatment goals and should include appropriate referrals to the child mobile response program(s). All coordination must be documented in the youth's medical record.

Medicaid funding is not available for services provided to individuals (adult or juvenile) involuntarily held in public penal institutions or detention facilities. This includes individuals who are being held involuntarily in police custody outside of a penal institution. In order for Medicaid funding to reimburse for this service, the individual must be unconditionally released from police custody and may not spend the night in a penal institution.