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Newsletter

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TO: All Providers

SUBJECT: Implementation of Mandatory Managed Care and the New
Managed Care Contract -- Medicaid/NJ KidCare

EFFECTIVE: October 1, 2000

PURPOSE: To notify providers about the expansion of the mandatory managed care program in New Jersey and about new policies and procedures contained in the new Medicaid/NJ KidCare Managed Care Contract

BACKGROUND: The New Jersey Division of Medical Assistance and Health Services (DMAHS) has been providing mandatory managed care services to its AFDC/TANF and NJ KidCare populations since 1995 and 1998, respectively. Effective October 1, 2000, mandatory enrollment will be extended to the non-dually eligible Supplemental Security Income (SSI) Aged, Blind and Disabled (ABD) populations; non-dually-eligible New Jersey Care...Special Medicaid Programs for ABD populations; and non-dually eligible Division of Developmental Disabilities (DDD) beneficiaries, including participants in the DDD/Community Care Waiver (CCW). Division of Youth and Family Services (DYFS) beneficiaries and dually eligible ABDs may enroll voluntarily. Non-dually eligible beneficiaries are those eligible for Medicaid but not Medicare.

Concurrent with the implementation of mandatory managed care enrollment for these new populations is the issuance of an expanded Medicaid/NJ KidCare Managed Care Contract which sets forth the terms, conditions, and requirements for Health Maintenance Organizations (HMOs) contracted to provide managed care services to New Jersey's Medicaid and NJ KidCare populations.

This Newsletter is intended to inform providers of the implementation process for the newly-mandated populations and to describe provisions contained in the new contract.

ACTION: Effective August 3, 2000, mandatory managed care began to be phased in for the newly-mandated populations on a county-by-county basis, commencing with Camden, Hudson and Mercer Counties. Mandatory managed care for the new populations will be phased-in by counties according to the following schedule:

- Phase One: Camden, Hudson, and Mercer Counties. Formal outreach began on August 3, 2000.
- Phase Two: Cumberland, Essex, Gloucester, and Passaic Counties.
- Phase Three: Atlantic, Bergen, Burlington, Middlesex, and Union Counties.
- Phase Four: Monmouth, Morris, Ocean, and Salem Counties.
- Phase Five: Cape May, Hunterdon, Somerset, Sussex, and Warren Counties.

Medicaid/NJ KidCare beneficiaries enrolled in an HMO will have both a Medicaid Eligibility Identification Card (green for TANF/AFDC, white and blue for SSI, cranberry for NJ KidCare) and an identification card issued by the HMO. The Medicaid/NJ KidCare Eligibility Identification cards will have a message stating in which HMO the beneficiary is enrolled. A copy of a Medicaid Eligibility Card for an SSI beneficiary enrolled in an HMO is attached. Providers are reminded that the Recipient Eligibility Verification System (REVS) and/or the Medicaid Eligibility Verification System (MEVS) are available to verify eligibility of members for Medicaid and/or NJ KidCare.

AFDC/TANF and NJ KidCare beneficiaries will continue to be required to enroll in one of the contracted HMOs available in their county. However, ABD beneficiaries will be permitted to enroll in any HMO.

Health care benefits included within the new Medicaid and NJ KidCare – Plans A, B, and C HMO benefits package that will be effective October 1, 2000 are listed below, with exceptions noted. Refer to separate section for health care benefits included in the NJ KidCare – Plan D HMO benefits package.

MEDICAID/NJ KIDCARE – PLANS A, B, C: The below-delineated services are covered only by HMO-participating providers or through prior approval by the HMO.

Managed Care Benefit Package

- Primary and Specialty Care
- Preventive Health Care and Counseling
- Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) Program Services, including non-legend drugs, ventilator services in the home, and private

duty nursing when indicated as a result of an EPSDT screening. For NJ KidCare -- Plans B and C participants, coverage includes early and periodic screening and diagnosis medical examinations, dental, vision, hearing, and lead screening services. It includes only those treatment services identified through the examination that are available under the HMO's benefit package or specified services under the fee-for-service (FFS) program.

- Emergency Medical Care
- Inpatient Hospital Services, including acute care, rehabilitation and special hospitals.
- Outpatient Hospital Services
- Laboratory Services
- Radiology Services – Diagnostic and Therapeutic
- Prescription Drugs – legend and non-legend covered by the Medicaid program, excluding clozapine, risperidone, olanzapine, quetiapine, methadone, and their generic equivalents.
- Family Planning Services and Supplies
- Audiology Services
- Inpatient Rehabilitation Services
- Podiatrist Services
- Chiropractor Services
- Optometrist Services
- Optical Appliances
- Hearing Aid Services
- Hospice Agency Services
- Durable Medical Equipment (DME)/Assistive Technology Devices
- Medical Supplies
- Prosthetics and Orthotics
- Dental Services
- Organ Transplants – both inpatient and outpatient services
- Transportation Services, including ambulance, MICUs, and invalid coach
- Post-acute care – Services rendered at an acute care hospital or nursing facility for 30 days or less for inpatient rehabilitation services and provided by a Medicaid participating provider.
- Home Health Agency Services: Covered except for non-dually eligible ABD populations, which are covered Medicaid fee-for-service.
- Mental Health/Substance Abuse Services: HMO-covered services only for clients of the Division of Developmental Disabilities, including clients of DDD/CCW.

Services Remaining in Fee-for-Service Medicaid Program – Medicaid participating providers may bill the Medicaid program in the usual manner for the following:

- Personal Care Assistant Services – Not covered for NJ KidCare – Plans B and C.
- Medical Day Care – Not covered for NJ KidCare – Plans B and C.

- Outpatient Rehabilitation – Physical Therapy, Occupational Therapy, and Speech Pathology. For NJ KidCare – Plans B and C, limited to 60 days per therapy per year.

- Abortions and Related Services
- Transportation – lower mode. Not covered for NJ KidCare – Plans B and C.
- Sex abuse examinations
- Services provided by New Jersey Mental Health/Substance Abuse and DYFS Residential Treatment Facilities, Group Homes, or Assisted Living Settings. Medical care required by these residents remains the HMO's responsibility providing the HMO's provider network and facilities are utilized.
- Family Planning Services and Supplies -- These services are both HMO covered services and also may be covered by the FFS program at the enrollee's option. Medicaid providers may bill the FFS program directly.
- Home Health Agency Services for the non-dually eligible ABD individuals
- Certain Dental Services for first time New Jersey Care 2000+ enrollees whose services were initiated during the 60 or 120 day period immediately prior to initial New Jersey Care 2000+ enrollment.

1. Procedure Codes to be paid by Medicaid FFS up to 60 days after first time New Jersey Care 2000+ enrollment:

02710	02792	03430
02720	02950	05110
02721	02952	05120
02722	02954	05211
02750	03310	05211-52
02751	03320	05212
02752	03330	05212-52
02790	03410-22	05213
02791	03411	05214

2. Procedure Codes to be paid by Medicaid FFS up to 120 days from date of last preliminary extractions after patient enrolls for the first time in New Jersey Care 2000+ (applies to tooth codes 5 – 12 and 21 – 28 only):

05130	05140
05130-22	05140-22

3. Extraction Procedure Codes to be paid by Medicaid FFS up to 120 days from last date of preliminary extractions after first time New Jersey Care 2000+ enrollment in conjunction with the following codes (05130, 05130-22, 05140, 05140-22):

07110
07130
07210

- Mental Health Services: Covered for all non-DDD beneficiaries.
- Substance Abuse: Covered for all non-DDD beneficiaries.
- Costs for Methadone and its administration: Covered for all non-DDD beneficiaries.
- Clozapine, risperidone, olanzapine, quetiapine, methadone, and generically-equivalent drug products

- Up to 12 inpatient hospital days required for social necessity.
- DDD/Community Care Waiver special waiver services such as case management and social work services.

Institutional Fee-for-Service Benefits

- Nursing Facility Care: [Exception: admission to a nursing facility solely for inpatient rehabilitation services up to 30 days will be paid by the HMO; after which the member must be disenrolled from the Plan.]
- Inpatient psychiatric services (excluding RTCs) for individuals under the age of 21 and over 65. The member to be disenrolled from the HMO upon the date of admission.
- Intermediate Care Facility/Mental Retardation Services: The member to be disenrolled from the HMO upon the date of admission.
- Waiver and demonstration programs (excluding DDD/CCW)

NJ KIDCARE – PLAN D SERVICES

Services Covered by the HMOs

- Primary and Specialty Care
 - Well child care, including immunization, and lead screening and treatments.
 - Emergency Room Services
 - Family Planning Services and Supplies includes: Medical history and physical exams, diagnostic and laboratory tests, drugs and biologicals, medical supplies and devices, counseling, continuing medical supervision, continuity of care and genetic counseling.
 - Home Health Care Services: Limited to skilled nursing for a home-bound beneficiary which is provided or supervised by a registered nurse; home health aide when the purpose of the treatment is skilled care; and medical social services which are necessary for the treatment of the beneficiary's medical condition.
 - Hospice Services
 - Inpatient Hospital Services: Includes acute care, rehabilitation and special hospitals
 - Outpatient Hospital Services, including outpatient surgery
 - Laboratory Services
 - Radiology Services – Diagnostic and Therapeutic
 - Optometrist Services: Including one routine eye examination per year
 - Optical Appliances: Limited to one pair of glasses (or contact lenses) per 24 month period or as medically necessary
 - Organ Transplants
 - Prescription Drugs: Excludes over-the-counter drugs
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- Dental Services: Limited to preventive dental services for children under the age of 12 years; including oral exams, oral prophylaxis, and topical application of fluorides.
 - Podiatrist Services: Excludes routine hygienic care of feet in the absence of a pathological condition.
 - Prosthetic Appliances: Limited to initial provision of a prosthetic device that temporarily or permanently replaces all or part of an external body part lost or

impaired as a result of disease, injury, or congenital defect. Repair and replacement services are covered when due to congenital growth

- Private Duty Nursing: Only when authorized by the HMO.
- Transportation Services: Limited to ambulance for medical emergency only.
- Maternity and related newborn care
- Diabetic Supplies and Equipment

Services Remaining in Fee-for-Service Medicaid Program - NJ KidCare – Plan D

- Abortion Services
- Skilled Nursing Facility Services
- **Outpatient Rehabilitation – Physical Therapy, Occupational Therapy, and Speech Pathology: Limited to: 1) non-chronic conditions and acute illnesses and injuries; and 2) 60 consecutive day period per incident of illness or injury beginning with the first day of treatment per contract year. Speech therapy rendered for treatment of delays in speech development, unless resulting from disease, injury or congenital defects, is not covered.**
- **Inpatient Hospital Services for Mental Health, including psychiatric hospitals: Limited to 35 days per year.**
- Outpatient Benefits for Short-Term, Outpatient Evaluative and Crisis Intervention, or Home Health Mental Health Services: Limited to 20 visits per year.
 1. When authorized by DMAHS, one (1) mental health inpatient day may be exchanged for up to four (4) home health visits or four (4) outpatient services, including partial care. Limited to an exchange of up to a maximum of 10 inpatient days for a maximum of 40 additional outpatient visits.
 2. When authorized by DMAHS, one (1) mental health inpatient day may be exchanged for two (2) days of treatment in partial hospitalization up to the maximum number of covered inpatient days.
- Inpatient and Outpatient Substance Abuse: Limited to detoxification.

HMOs currently contracted with DMAHS to provide services for Medicaid/NJ KidCare beneficiaries:

- **Aetna US Healthcare** -- Burlington, Camden, Cumberland, Essex, Gloucester, Hudson, Mercer, Middlesex, Monmouth, and Passaic Counties
- **AmeriChoice of New Jersey, Inc. (formerly Managed Healthcare Systems)** -- Atlantic, Bergen, Burlington, Camden, Cape May, Cumberland, Essex, Gloucester, Hudson, Hunterdon, Mercer, Middlesex, Monmouth, Morris, Ocean, Passaic, Salem, Somerset, Sussex, Union, and Warren Counties
- **Amerigroup (doing business as Americaid Community Care)** -- Atlantic, Bergen, Burlington, Camden, Cape May, Cumberland, Essex, Gloucester, Hudson, Hunterdon, Mercer, Middlesex, Monmouth, Morris, Ocean, Passaic, Union and Warren Counties

- **Horizon Mercy** -- Atlantic, Bergen, Burlington, Camden, Cape May, Cumberland, Essex, Gloucester, Hudson, Hunterdon, Mercer, Middlesex, Monmouth, Morris, Ocean, Passaic, Salem, Somerset, Sussex, Union, and Warren Counties
- **Physicians Health Services** -- Burlington, Camden, Cumberland, Essex, Gloucester, Hudson, Mercer, Middlesex, Ocean, Passaic, Salem, Somerset, and Union Counties
- **University Health Plans, Inc.** -- Bergen, Burlington, Camden, Essex, Gloucester, Hudson, Hunterdon, Mercer, Middlesex, Monmouth, Morris, Ocean, Passaic, Somerset, and Union Counties

Brochures regarding New Jersey Care 2000⁺ and the NJ KidCare Program are available through the Health Benefits Coordinator and may be ordered by telephone at (609) 584-2800.

If you have questions concerning this newsletter, please call the DMAHS Managed Care Hotline at 1-800-356-1561.

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