



State of New Jersey  
 Department of Human Services  
 Division of Medical Assistance & Health Services

# NEWSLETTER

Volume 14 No. 42

June 2004

**TO:** Independent Clinics - Mental Health – **For Action**  
 Hospitals, route to Partial Hospitalization Providers – **For Information Only**  
 Health Maintenance Organizations – **For Information Only**

**SUBJECT:** **Changes to Procedure Codes and Reporting Requirements for Service Units for Partial Care**

**EFFECTIVE:** Claims with service dates on or after July 1, 2004

**PURPOSE:** To notify partial care providers of changes to procedure codes and reporting requirements.

**BACKGROUND:** On February 17, 2004, the New Jersey Division of Medical Assistance and Health Services (DMAHS) adopted changes to N.J.A.C. 10:66-1.2, 1.4, 2.7, and 6.2 regarding partial care services. The updated version of these rules can be viewed at:

[www.state.nj.us/humanservices/dmahs/manuals.html](http://www.state.nj.us/humanservices/dmahs/manuals.html)

(Partial Hospitalization providers were notified of similar changes for reporting partial hospitalization service units in the Medicaid Newsletter Volume 14, No. 9, dated March 2004.)

**ACTION:** **Effective for partial care claims for service dates on or after July 1, 2004**, the following procedure code changes shall apply to billing for partial care services:

**A. Code Changes:**

<u>HCPCS</u>	<u>Description</u>	<u>Maximum Fee Allowance</u>
Z0170	Partial Care, Per Hour	\$15.40
Z0180	Partial Care, Full Day	Discontinued

**B. Billing Changes:**

1. Units of service of partial care services must be provided for a minimum of two hours and a maximum of five hours per day. If a claim is submitted for less than two hours or more than five hours, the claim will be denied by Error Code 374, "Reported Service Units must be greater than 1 and less than 6."
2. In those instances in which the number of hours of service provided is fractional (for example, 2.5 hours), the provider must "round-down" the units reported to the lower whole number (2 hours).
3. Each claim line billed on the CMS 1500 claim form must represent partial care services provided on a single date of service. Use of span dates is not permitted, that is, a provider cannot bill for a time period using a start and end date.

**Examples of Billing Changes**

<b>Partial Care Service</b>	<b>Service Date <u>prior to</u> July 1, 2004</b>	<b>Service Date <u>on or after</u> July 1, 2004</b>
Full-Day Session	Partial Care, full day	5 hours
2 Hours	Could not bill by hours	2 hours
2.5 Hours	Could not bill by hours	2 hours

The State will monitor claims to determine if hours of partial care are being billed correctly.

If you have any questions concerning this Newsletter, please contact the DMAHS Mental Health Unit at (609) 588-2743.

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