



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

NEWSLETTER

Volume 19 No. 04

February 2009

TO: All Providers of Partial Hospitalization Services - For Information and Action

SUBJECT: **Medicaid reimbursement for partial hospitalization services**

EFFECTIVE: July 1, 2008

PURPOSE: This newsletter advises providers of partial hospitalization services of important changes in billing and reimbursement for those services that are provided for in the Fiscal Year 2009 Appropriations Act.

BACKGROUND: On February 5, 2007, the Department of Human Services published adopted rules in the New Jersey Register which, among other things, limited Partial Hospitalization Services to 24 months per beneficiary. (See N.J.A.C. 10:52A-4.4(b)). Subsequently, in the Fiscal Year 2009 Appropriations Act, P.L. 2008, c.35 (the Act), the delivery of services beyond the 24 month limit, and reimbursement for such services, were provided for in the Act. The Act, in relevant part, allows hospitals to provide partial hospital services to all eligible individuals in partial hospitalization programs in need of additional care beyond the 24 month limit and to bill for these extended services at the community partial care rate of \$77 for each full day of partial hospital services provided.

ACTION: In accordance with the requirements of the statute, any provider of such services providing continued services to any eligible individual in a partial hospitalization program who is in need of additional care beyond the existing 24 month limit shall bill for these extended services at the community partial care rate of \$77 for each full 5 hour day of services provided. If less than a full 5 hour day of services is provided, a provider may still seek reimbursement by billing at an hourly rate of \$15.40 per full hour of services provided. However, as always, beneficiaries receiving partial hospital services must receive no less than two hours of partial hospital services per day and no more than five hours of partial hospital services per day; additionally, beneficiaries receiving partial hospital services shall receive a maximum of 25 hours of partial hospital services per week. Providers may not round up partial hours or partial days of services in calculating billable hours or billable days.

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