

TO: State and County Governmental Psychiatric Hospitals

SUBJECT: Reimbursement Methodology and Policies Regarding Administrative
Patient Days for Medicare Certified Facilities

EFFECTIVE: July 1, 1992

BACKGROUND: On December 16, 1985, Medicaid Long Term Care Services
Bulletin 85-18 was issued to State and County Governmental
Psychiatric Facilities advising them of the reimbursement methodology and
policies for administrative patient days for Medicare certified facilities.

PURPOSE: The purpose of this Newsletter is to remind State and
County Governmental Psychiatric Facilities that a new
occupancy level must be calculated beginning July 1, 1992. The methodology to
determine the occupancy level has not changed and the level of care information
is to continue to be submitted by all State and County Governmental Psychiatric
Facilities. Also included is the new rate for State Fiscal Year (SFY) 1993.

ACTION: The certification statement used to certify the calculation
of the occupancy formula must be submitted with the billing
for the July 1992 charges. A certification statement must also be submitted
for each month subsequent to July 1992 with the billing statement to the
Medicaid fiscal agent, Paramax/Unisys. Please refer to your Fiscal Agent
Billing Supplement, page 6-15 for an example of the Provider Certification
Statement
(CP-I-46).

In accordance with Federal statutes and regulations, the New Jersey Medicaid
program requires that all providers submit a certification statement attesting
to the accuracy of the billing with each billing statement. Federal funding is
not available if the certification statement is not submitted timely on a
monthly basis.

All facilities, regardless of occupancy level, must also submit the appropriate levels of care on a Long Term Care Turnaround Document (TAD) - MCNH -117 (9/91). For those facilities whose certified occupancy level is 80 percent or greater, this information is used for federal reporting purposes only.

CALCULATION OF RATES: Effective July 1, 1992 in those facilities in which the occupancy level is less than 80 percent, reimbursement will be made at the inpatient psychiatric rate or the Statewide average NF rate (\$88.86), as appropriate, for the twelve-month period ending June 30, 1993.

If you have any questions about the process, please refer to the earlier Long Term Care Bulletins issued. Any additional questions should be referred to Jeffrey Campbell, Bureau of Institutional and Provider Reimbursement at (609) 588-2691.