



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

# NEWSLETTER

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**TO:** Providers of Behavioral Health Services – **For Action**  
Other Providers and Medicaid Managed Care Plans – **For Information Only**

**SUBJECT:** **NJ FamilyCare Fee-For-Service Coverage of Short-Term Residential, Long-Term Residential and Residential Withdrawal Management Services**

**EFFECTIVE:** Short Term Residential (STR) and Residential Withdrawal Management (RWM) claims with service dates on or after July, 1, 2018  
Long Term Residential (LTR) claims with service dates on or after October 1, 2018

**PURPOSE:** To notify providers of behavioral health services of a policy change providing NJ FamilyCare (NJFC) fee-for-service (FFS) coverage and reimbursement for Short-Term Residential (STR) services, Long-Term Residential (LTR) services and Residential Withdrawal Management (RWM) services.

**BACKGROUND:** **N.J.A.C 10:161A**, entitled “Standards for Licensure of Residential Substance Use Disorders Treatment Facilities” describes State regulations related to the provision of STR, LTR and RWM behavioral health services. See N.J.A.C. 10:161A-10.1 for additional information. **The 1115 Substance Use Disorder (SUD) Waiver expands coverage of STR, LTR and RWM behavioral health services by the NJFC program to individuals between 21 and 64 years of age when provided in an Institution for Mental Diseases (IMD).**

“Residential Detox or Residential Withdrawal Management” means the provision of care delivered by medical and nursing professionals, providing 24-hour medically supervised evaluation and withdrawal management, in a permanent facility. Services are delivered under a defined set of physician-approved policies and physician-monitored procedures for clinical protocols. This level provides care to patients whose withdrawal signs and symptoms are sufficiently severe to require 24-hour medical monitoring, as described in American Society of Addiction Medicine (ASAM) Level 3.7-WM (Withdrawal Management).

A “short-term residential substance use disorder treatment facility” or “short-term residential facility” is responsible for providing treatment designed primarily to address specific addiction and living skills problems through a prescribed 24-hour per day activity regimen on a short-term basis, and generally approximates the ASAM Level 3.7.

A “long-term residential substance use disorders treatment facility” or “long-term residential facility” is responsible for providing treatment primarily designed to foster personal growth and social skills development, with interventions focused on reintegrating the client into the greater community, and where education and vocational development is emphasized and generally approximates, ASAM PPC-2R, Level 3.5.

The New Jersey Substance Abuse Monitoring System (NJSAMS) shall continue to be the on-line tool for communicating a consumer’s treatment service level.

- Independent clinics providing FFS SUD treatment services are required to obtain a Prior Authorization (PA) from the Interim Management Entity (IME) for certain SUD services. Independent clinics must report the appropriate authorized service code with the ‘HF’ modifier when billing claims for these services
- American Society of Addiction Medicine (ASAM) criteria, as well as ICD/DSM supportive diagnoses, shall be used to determine medical necessity for SUD treatment services.
- PA is not a guarantee of payment. PA is confirmation that the IME, as an agent of the State, has utilized ASAM criteria to determine that a SUD treatment service is medically necessary.
- **Only providers who are affiliated with the IME through a formal Affiliation Agreement shall be issued a PA by the IME.**
- Providers receiving NJFC reimbursement for STR, LTR and/or RWM services cannot deny care or services to a NJFC enrollee who is receiving medication assisted treatment (MAT). By July 1, 2019, all providers receiving NJFC reimbursement for STR, LTR and/or RWM services will be expected to offer or coordinate the provision of MAT to Medicaid beneficiaries.

**ACTION:** Effective for claims with service dates on or after July 1, 2018, when services are the responsibility of FFS, the IME shall prior authorize STR and RWM, when included as part of a consumer’s treatment plan, with the following HCPCS procedure codes covered by the NJFC FFS program. The following maximum fee allowances shall be reimbursed for these services.

Service Description	HCPCS Procedure Code	Maximum Fee Allowance
Short-Term Residential Services (STR)	H0018 HF Z3335*	\$201.60 per day
STR Room & Board	H0018 HV	\$18.90 per day
Residential Withdrawal Management (RWM)	H0010 HF Z3334*	\$408.08 per day
RWM Room & Board	H0010 HV	\$20.20 per day

**\*For billing paper or Direct Data Entry (DDE) claims**

Effective for claims with service dates on or after October 1, 2018, the IME shall also prior authorize LTR services, when included as part of a consumer’s treatment plan, with the following HCPCS procedure codes covered by the NJFC FFS program.

LTR services are covered FFS only. The following maximum fee allowances shall be reimbursed for these services.

Service Description	HCPCS Procedure Code	Maximum Fee Allowance
Long-Term Residential Services (LTR)	H0019 HF**	\$84.40 per day
LTR Room & Board	H0019 HV	\$17.60 per day

**\*\*Effective for claims with service dates on or after October 1, 2018, HCPCS procedure code H0019 HF replaces HCPCS procedure codes H0026 HF & Z3337.**

- **For DDD members:** Members enrolled in Managed Long-Term Services and Supports (MLTSS) and members enrolled in Fully Integrated Dual Eligible Special Needs (FIDE-SNP) plans, STR and RWM services shall be provided by the Medicaid managed care plan effective October 1, 2018.

**Room & Board Coverage**

- Room & Board is not a NJFC-covered service and shall be reimbursed with State-only funds for all applicable programs. Claims for Room & Board services must be submitted to Molina Medicaid Solutions for FFS payment consideration.
- Room and Board services are covered for beneficiaries 18 years of age and older.
- The Room & Board claim and the STR, LTR or RWM claim must have the same date(s) of service.
- All Room & Board services shall require prior authorization from the IME. This includes DDD members, members enrolled in MLTSS or members enrolled in FIDE-SNP. Room and Board claims should be submitted to Molina Medicaid Solutions for payment.
- Providers: DO NOT bill managed care for room and board for any NJFC members.

If you have any questions concerning this Newsletter, please contact Molina Medicaid Solutions Provider Services at 1-800-776-6334.

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