

TO: All Transportation Providers

SUBJECT: Elimination of Livery Transportation as a Covered Medical Service

EFFECTIVE: August 15, 1994

BACKGROUND: Under Federal regulations, a state Medicaid agency must ensure neces

Currently, the New Jersey Medicaid program provides for lower mode transportation for recipients who do not require ambulance or invalid coach services, in one of two ways: (1) on a fee-for-service basis as an item of medical assistance provided by enrolled livery providers; and (2) on an administrative cost basis as arranged and/or provided by the county welfare agencies.

A Public Notice appeared in New Jersey newspapers on March 11, 14 and 15, 1994, which included notice of the intention of the Division of Medical Assistance and Health Services to publish regulations to eliminate livery transportation service as a medical service reimbursed on a fee-for-service basis. Subsequently, on April 4, 1994, a regulatory proposal was published in the New Jersey Register. After considering all comments submitted in response to the proposal, the Division is moving to adopt the regulations, effective August 15, 1994.

Necessary lower mode transportation will be available to Medicaid recipients through State-contracted vendors in Essex and Hudson Counties and through the county welfare agencies in the remaining 19 counties.

ACTION: Effective for dates of service on and after August 15, 1994, the New Jersey Medicaid program will no longer recognize livery as a covered medical service reimbursed on a fee-for-service basis. Claims submitted for livery services, including HCPCS procedure codes Y0251 and Y0252, will be denied for dates of service on and after August 15, 1994.

Providers of livery transportation may continue to submit properly completed and fully documented claims for livery transportation services rendered prior to August 15, 1994. These claims must be submitted within twelve months of the first date of service indicated on the transportation claim.

As indicated at N.J.A.C. 10:49-13.1, "Under the provisions of Federal and State law, the Division of Medical Assistance and Health Services shall provide continuing review and evaluation of the care and services provided under the Program."

Any false claims, statements or documents, or concealment of a material fact, may be prosecuted under applicable Federal or State laws, or both. Overpayments will be subject to recoupment with appropriate penalties as prescribed by statute.

Questions concerning this Newsletter may be directed to Unisys' Provider Services Unit at 1-800-776-6334.

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