



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

NEWSLETTER

Volume 5 No. 37

June 1995

TO: All Medicaid Participating Providers

SUBJECT: New HMO Available to Medicaid Eligibles Residing In Cumberland, Essex, and Gloucester Counties

EFFECTIVE: Immediately

BACKGROUND: First Option Health Plan (FOHP) has contracted with the Division of Medical Assistance and Health Services (DMAHS) to provide managed care services to certain Medicaid-eligible residents of Cumberland, Essex and Gloucester Counties.

PURPOSE: The purpose of this Newsletter is to define the services included in the FOHP service package as well as Medicaid services not covered by FOHP.

FOHP is responsible for providing the following medically necessary services to its Medicaid members on a 24-hour, 7-day-a-week basis. Except as specifically indicated, these services are equal to the scope of service provided in the regular Medicaid program and are provided through the authorization of the Primary Care Physicians of FOHP.

1. Primary care services:
 - physician services;
 - independent clinic services;
2. All other physician specialist services;
3. Inpatient hospital services;
4. Outpatient hospital services;
5. Preventive health care services including EPSDT approved equivalent services for enrollees under 21 years of age;
6. Laboratory and radiology (diagnostic and therapeutic) services;
7. Home health agency services;

8. Personal care assistant services;
9. Hospice services;
10. Optometric services;
11. Podiatric services;
12. Rehabilitation services including physical therapy, occupational therapy, speech pathology and audiology;
LIMITATION - 60 outpatient days per contract year per therapy, per enrollee;
13. Medical transportation including ambulance, Mobile Intensive Care Unit (MICU) service and invalid coach (except lower mode);
14. Mental health services including psychologist services;
LIMITATION - 30 inpatient days per contract year per enrollee and 60 outpatient visits per contract year per enrollee;
15. Diagnosis and medical treatment for substance abuse - addiction to alcohol or drugs, including detoxification and referral services;
LIMITATION - 30 inpatient days per enrollee per contract year and 60 outpatient visits per enrollee per contract year;
16. Prosthetics and orthotics;
17. Organ transplants (heart, heart/lung, lung, kidney, liver, bone marrow and cornea);
18. Medical supplies;
19. Durable medical equipment;
20. Chiropractic services;
21. Prescription drugs;
22. Dental services;

23. Optical appliances;
24. Hearing aid services;
25. Family planning services;
PLEASE NOTE: Under this contract, the right of clients to choose a provider with respect to family planning services may not be restricted. Family planning services rendered by a Medicaid-participating provider who is not a part of the FOHP network will be reimbursed by Medicaid on a fee-for-service basis. The provider must meet regular Medicaid program requirements for family planning services.
26. Private Duty Nursing only when provided as a result of an EPSDT screening;
27. Nursing facility services (30 days per contract year per enrollee inclusive of any bed hold days).

Services in Excess of Limitations:

When the specified maximum limitations have been met, FOHP will issue a member-specific "Exhaustion of Benefits" (EOB) form identifying the service(s) which have been provided beyond the contract limitations. A FOHP member who is Medicaid eligible may continue to receive these services from a Medicaid provider through the end of the contract year noted on the EOB. The Medicaid provider will be reimbursed for the services which exceed limitations on a fee-for-service basis, under the existing rules and regulations of the New Jersey Medicaid fee-for-service program. To be reimbursed for the services, the Medicaid provider must attach a copy of the "Exhaustion of Benefits" form (see Exhibit 1) to all claims for the specified time period stated on the form and submit the claims to UNISYS, the Medicaid fiscal agent.

Medicaid Services not Provided by FOHP (out-of-plan services):

The following Medicaid services are considered out-of-plan and are not provided by FOHP. Medicaid members of this HMO may obtain these services from Medicaid providers who will be reimbursed by the Medicaid fiscal agent under existing rules and regulations of the New Jersey Medicaid program:

1. Cost of Methadone and its administration;
2. Elective/induced abortions;
3. Certified Nurse Midwife services;
4. Case Management services targeted to seriously mentally ill persons to assist the individual in gaining access to needed medical, social, educational and other services;
5. Medical Day Care;
6. School-based rehabilitative services provided under a child's Individualized Education Program (IEP);
7. Early intervention rehabilitative services provided under a child's Individualized Family Service Plan (IFSP);
8. Services provided in institutional care settings including residential treatment centers and ICFs/MR;
9. Lower mode transportation.

Providers who are not members of the FOHP network may only provide out-of-plan or over limit services, as stated above, to Medicaid FOHP members. Members of the FOHP provider network should follow FOHP designated procedures for service provision. A FOHP member who is Medicaid eligible will be issued a FOHP identification card and a monthly Medicaid ID card. The Medicaid ID card will be imprinted with the restricted message, "Enrolled in HMO First Option, 1-800-555-2604."

If a Medicaid recipient has an HMO-restricted Medicaid ID card and a Medicaid provider bills for an HMO-covered service, the claim will be rejected and returned to the billing provider, except for family planning services as noted above.

Emergency Services:

FOHP shall provide, or shall arrange to have available, emergency care on a 24-hour, 7-day-a-week basis. For life-threatening or organ-threatening conditions that require immediate emergency care and the member is unable to call the Primary Care Physician, a

member may seek care at the nearest emergency room. If a member requires care, his/her primary care physician must be notified within 24 hours.

Hospitals must always call FOHP to verify HMO coverage prior to treatment, except in life-threatening situations. The toll-free number is 1-800-963-6286. Hospital and physician claims for emergency care should be submitted to:

First Option Health Plan

P. O. Box 700

Red Bank, NJ 07701

To obtain non-emergent care, the FOHP member must contact his/her Primary Care Physician. The Primary Care Physician will direct the member to the closest affiliated hospital emergency room when appropriate or an alternative treatment setting as needed. When the emergency room is the appropriate treatment setting, the Primary Care Physician will advise the emergency room staff in advance to receive and treat the member. Follow-up treatment must be coordinated by the member's Primary Care Physician and requires a prior written referral from the Primary Care Physician.

**PROVIDERS ARE REMINDED TO CAREFULLY REVIEW EACH
MEDICAID ELIGIBLE'S MEDICAID ID CARD**

Questions regarding this Newsletter should be directed to the Division of Medical Assistance and Health Services' Managed Care Hotline at 1-800-792-9745.

**RETAIN THIS NEWSLETTER NUMERICALLY BEHIND THE NEWSLETTER TAB
(BLUE TAB MARKED "5")**

Government Programs
Division



Exhibit 1

EXHAUSTION OF BENEFITS NOTICE

Dear Provider:

This is to inform you that _____, Medicaid ID # _____, a member of the First Option Health Plan Medicaid Program, has exhausted the _____ days/visits of coverage for _____ type of service _____ effective _____ date _____. However, a subscriber may continue to receive these services through the Medicaid system. If you are a Medicaid provider you may provide these services and you will be reimbursed under the existing rules and regulations of the New Jersey Medicaid Program during the remainder of the contract year, which ends _____.

A copy of this letter must be submitted with all claims. Should you have any questions, please contact the First Option Health Plan Provider Services Department at 1-800-963-6286.

Sincerely,

Government Programs Division

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