



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

NEWSLETTER

VOL. 6 NO. 14

APRIL, 1996

TO: All Providers
SUBJECT: Sale of the Garden State Health Plan in Camden, Essex, Hudson, Passaic and Union Counties

EFFECTIVE: June 1, 1996

BACKGROUND: In accordance with the Appropriations Act of 1996, P.L.1995, c.164, the Treasurer was authorized to take necessary action to effectuate the sale of the Garden State Health Plan (GSHP). Therefore, effective June 1, 1996, the State of New Jersey is selling the operations of the GSHP in five (5) counties: Camden, Essex, Hudson, Passaic and Union.

The purchaser of GSHP is Managed HealthCare Systems of New Jersey, Inc. (MHS), a licensed Health Maintenance Organization approved to service Medicaid eligibles in these 5 counties.

ACTION: Effective June 1, 1996, enrollees who reside in Camden, Essex, Hudson, Passaic and Union counties will no longer be enrolled in the GSHP.

At this time, please note that this announcement **does not apply to GSHP enrollees residing in any county other than the 5 indicated above.** Until further notice, claims for services provided to GSHP enrollees in other counties will be covered in accordance with previously issued GSHP instructions.

It is important for providers to carefully check the Medicaid eligibility card or on-line eligibility systems to confirm HMO enrollment for former GSHP enrollees effective June 1, 1996. Examination of the Medicaid eligibility card or query to on-line eligibility systems will indicate the proper HMO enrollment status of affected clients.

There may still be clients, however, who reside in the 5 counties who carry a Garden State Health Plan "gold" membership card. Therefore, it is important to note that **except in the circumstances discussed below, claims for services provided on or after June 1, 1996 to former GSHP enrollees in the five counties will NOT be honored.** GSHP will remain responsible for claims for services rendered to members in the 5 counties prior to June 1, 1996.

For GSHP enrollees in the 5 counties who are in the hospital as of June 1, 1996, GSHP will be responsible for coverage of the hospital claim. GSHP will also be responsible for physician services associated with the hospitalization. Providers will be furnished with instructions on how to submit claims for this situation via a separate Newsletter.

For those beneficiaries who will now be enrolled in MHS, benefits are in accordance with MHS plan requirements and, except under certain circumstances, services must be provided through the MHS network. MHS can be reached at 1-800-873-3914.

If you have any questions concerning this Newsletter, please contact the GSHP at 1-800-525-0047.

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