



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

# NEWSLETTER

Volume 6 No. 20

June, 1996

**TO:** State and County (Governmental) Psychiatric Hospitals

**(ROUTE TO:** Accounting, Billing and Finance Offices)

**SUBJECT:** Reimbursement Methodology and Policies Regarding  
Administrative Patient Days for Medicare - Certified Hospitals

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

**PURPOSE:** To remind State and County (Governmental) psychiatric hospitals that a new occupancy level must be calculated beginning July 1, 1996. 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 hospitals. The new rate for State Fiscal Year (SFY) 1997 is included in this Newsletter.

**ACTION:** The certification statement used to certify the calculation of the occupancy formula must be submitted with the billing of July 1996 charges. A certification statement must also be submitted for each month subsequent to July 1996 with the billing statement to the Medicaid fiscal agent, 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 hospitals, 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 hospitals whose certified occupancy level is 80 percent or greater, this information is used for Federal reporting purposes only.

**CALCULATION OF RATES:** Effective July 1, 1996, in those hospitals 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 (\$102.35) as appropriate, for the twelve-month period ending June 30, 1997.

For further information and/or inquiries regarding this Newsletter, please contact Jeffrey Campbell, Administrator, Bureau of Hospital Reimbursement, Division of Medical Assistance and Health Services, at (609) 588-2693.

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