



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

NEWSLETTER

Volume 9 No. 23

April 1999

TO: Providers of Partial Hospitalization (PH) Services

SUBJECT: Appropriate Billing for Partial Hospitalization (PH) Services

EFFECTIVE: Immediately

PURPOSE: This Newsletter is intended to assist providers in understanding the Medicaid and NJ KidCare programs' rules that must be followed when billing for partial hospitalization services provided to Medicaid and/or NJ KidCare beneficiaries.

NOTE: The information contained in this Newsletter is designed to reinforce the Medicaid and NJ KidCare programs' rules set forth in N.J.A.C. 10:49 and 10:52

BACKGROUND: N.J.A.C. 10:52 - 2.9 outlines the regulations covering the provision of psychiatric services as partial hospitalization programs serving ambulatory, non-residential patients who only spend part of a 24-hour period in the hospital. The regulations clearly state the following:

1. PH shall serve ambulatory, non-residential patients who spend only part of a 24-hour period (a minimum of three hours of participation in active programming for a half day program exclusive of meals and a minimum of five hours of active participation in active programming for a full day exclusive of meals) in the hospital.
2. Prior authorization for PH from the Division shall be required after the first 90 calendar days from the date of initial treatment. Each prior authorization for PH shall be granted for a maximum of six months. Additional authorizations may be requested.
3. When prior authorization is required, the request shall be submitted on the forms, "Request for Authorization of Mental Health Services (FD-07, Rev. 1/85) and "Request for Prior Authorization Supplemental Information (FD-07A, Rev.1/94)" to the Psychiatric Consultant, Mental Health Services, Office of Health Services Administration, Division of Medical Assistance and Health Services, PO Box 712, Mail Code # 18, Trenton, NJ 08625-0712.

ACTION: In accordance with existing regulations, in determining whether the hour requirements have been met for a full day or half day of partial hospitalization services, a provider must exclude meal time, the time spent by the beneficiary in transport to and/or from the hospital, and any time that is not spent in active programming. Providers must also obtain prior authorization for continuation of partial hospitalization services after the initial 90 calendar days of treatment by submitting the forms, "Request for Authorization of Mental Health Services (FD-07, Rev. 1/85) and "Request for Prior Authorization Supplemental Information" (FD-07A, Rev. 1/94)" to the Division at the address given above.

Please note that a provider shall be subject to administrative action if it is determined that the provider is submitting claims for a full or half day of partial hospitalization services that do not meet the requirements of N.J.A.C. 10:52-2.9. Administrative action may include, but is not limited to, recovery of payments and/or suspension and permanent disqualification of the provider from the Medicaid and NJ KidCare programs. Criminal prosecution and other civil and administrative sanctions will also be pursued if fraudulent activity is confirmed.

If you have any questions concerning this Newsletter please contact Jennifer Park, M.D., Psychiatric Consultant, at (609) 588-2749.

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