

**SENATE, No. 1895**

**STATE OF NEW JERSEY**  
**220th LEGISLATURE**

INTRODUCED MARCH 3, 2022

**Sponsored by:**

**Senator ROBERT W. SINGER**  
**District 30 (Monmouth and Ocean)**  
**Senator VIN GOPAL**  
**District 11 (Monmouth)**

**Co-Sponsored by:**

**Senators Diegnan, Stanfield and Cruz-Perez**

**SYNOPSIS**

Increases Medicaid reimbursement for in-person partial care behavioral health and substance use disorder treatment services, and associated transportation services, for adults.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 6/6/2022)**

1 AN ACT concerning Medicaid reimbursement for certain behavioral  
2 health and addiction services and supplementing Title 30 of the  
3 Revised Statutes.

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5 **BE IT ENACTED** *by the Senate and General Assembly of the State*  
6 *of New Jersey:*

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8 1. a. As used in this section:

9 “Adult” means an individual aged 21 years and older.

10 “Partial care services” means comprehensive, individualized,  
11 structured, non-residential behavioral health care and support  
12 services for an adult with severe mental illness or substance use  
13 disorder in order to facilitate community integration and prevent  
14 hospitalization and relapse. Partial care services may include, but  
15 are not limited to: psychiatric care, individual and group  
16 counseling, case management, and prevocational services.

17 b. The reimbursement rate for in-person partial care services  
18 within the Medicaid program, established pursuant to P.L.1968,  
19 c.413 (C.30:4D-1 et seq.), whether such services are provided in the  
20 Medicaid fee-for-service delivery system or through the Medicaid  
21 managed care delivery system, shall be no less than the applicable  
22 established State Medicaid rate as of the effective date of this act,  
23 increased by 35 percent.

24 c. The aggregate reimbursement rate for transportation services  
25 and mileage to or from a partial care services provider within the  
26 Medicaid program, established pursuant to P.L.1968, c.413  
27 (C.30:4D-1 et seq.), whether such services are provided in the  
28 Medicaid fee-for-service delivery system or through the Medicaid  
29 managed care delivery system, shall be no less than \$10 for each  
30 one-way trip.

31 d. The Medicaid reimbursement rates established pursuant to  
32 this act shall only apply to services provided to an adult, as of the  
33 effective date of this act.

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35 2. The Commissioner of Human Services shall apply for such  
36 State plan amendments or waivers as may be necessary to  
37 implement the provisions of this act and to secure federal financial  
38 participation for State Medicaid expenditures under the federal  
39 Medicaid program.

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41 3. The Commissioner of Human Services, pursuant to the  
42 “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et  
43 seq.) shall adopt rules and regulations necessary to implement the  
44 provisions of this act.

45  
46 4. This act shall take effect on the first day of the fourth month  
47 next following the date of enactment, but the Commissioner of

1 Human Services may take such anticipatory administrative action in  
2 advance thereof as may be necessary for the implementation of this  
3 act.

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STATEMENT

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8 This bill increases Medicaid reimbursement rates for partial care  
9 behavioral health and substance use disorder (SUD) treatment  
10 services by 35 percent, when such services are provided to an adult  
11 Medicaid enrollee on an in-person basis. The bill also provides that  
12 the aggregate Medicaid reimbursement rate for transportation  
13 services and mileage to or from a partial care services provider is to  
14 be no less than \$10 for each one-way trip, an increase of \$3 from  
15 the current \$7 rate, which is composed of \$4.50 for transportation  
16 services and \$2.50 for mileage. These rate increases apply to  
17 services provided through the fee-for-service or managed care  
18 delivery system. It is the intent of the bill's sponsor to improve  
19 Medicaid reimbursement for the critical supports and services that  
20 partial care programs provide to some of New Jersey's most  
21 vulnerable residents.

22 Under current law, NJ Medicaid covers partial care behavioral  
23 health and SUD treatment services for most adults through the fee-  
24 for-service delivery system. The reimbursement rate for in-person  
25 partial care behavioral health services is \$17.92 per hour, with  
26 service providers required to deliver a minimum of two hours and a  
27 maximum of five hours of services per day, limited to 25 hours per  
28 week. Medicaid additionally pays a per diem rate of \$78.31 for in-  
29 person partial care SUD treatment services; providers are required  
30 to deliver a minimum of four hours of services per day, or no less  
31 than 20 service hours per week.

32 By contrast, the State provides partial care behavioral health and  
33 SUD treatment services through the managed care delivery system  
34 for clients of the Division of Developmental Disabilities (DDD),  
35 individuals enrolled in a Fully Integrated Dual Eligible Special  
36 Needs Plan (FIDE-SNP), and enrollees in the Medicaid Managed  
37 Long Term Services and Supports (MLTSS) program. Therefore,  
38 Medicaid reimbursement for partial care services provided for these  
39 beneficiary groups is proprietary and embedded in the State's  
40 contracted capitation payments to the Medicaid managed care  
41 organizations.

42 Partial care services encompass a variety of medical and  
43 psychological interventions and supportive services for individuals  
44 diagnosed with severe mental illness or addiction. The goal of  
45 partial care programs is to integrate the individual into the  
46 community, thereby preventing relapse and inpatient  
47 hospitalization. Partial care programs offer individualized,

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- 1 structured, non-residential services including, but not limited to:
- 2 individual and group counseling, psychiatric care, psychoeducation,
- 3 social and recreational services, pre-vocational services, and case
- 4 management services.