

SENATE HEALTH, HUMAN SERVICES AND SENIOR  
CITIZENS COMMITTEE

STATEMENT TO  
**SENATE, No. 1895**

with committee amendments

**STATE OF NEW JERSEY**

DATED: JUNE 6, 2022

The Senate Health, Human Services and Senior Citizens Committee reports favorably Senate Bill No. 1895 with committee amendments.

As amended by the committee, this bill increases Medicaid reimbursement rates for partial care behavioral health and substance use disorder (SUD) treatment services by 35 percent, when such services are provided to an adult Medicaid enrollee on an in-person basis. The bill also provides that the aggregate Medicaid reimbursement rate for transportation services and mileage to or from a partial care services provider is to be no less than \$10 for each one-way trip, an increase of \$3 from the current \$7 rate, which is composed of \$4.50 for transportation services and \$2.50 for mileage. As amended, these rate increases will apply to services provided through the fee-for-service or managed care delivery system after the effective date of this bill.

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

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

COMMITTEE AMENDMENTS:

The committee amendments clarify that the increased Medicaid reimbursement rates established by the bill are permanent in nature.

The committee amendments make a technical correction involving punctuation.