

SENATE, No. 1716

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED FEBRUARY 13, 2020

Sponsored by:

Senator JOSEPH A. LAGANA

District 38 (Bergen and Passaic)

SYNOPSIS

Requires rate review study of provider reimbursement rates provided by Medicaid and Children's System of Care for pediatric and adult psychiatry services.

CURRENT VERSION OF TEXT

As introduced.



1 **AN ACT** concerning pediatric and adult psychiatry reimbursement
2 rates.

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

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7 1. a. The Commissioner of Human Services, in collaboration
8 with the Commissioner of Children and Families, shall implement,
9 or contract with a third party to implement, a rate review study of
10 the provider reimbursement rates provided by Medicaid and the
11 Children's System of Care for pediatric and adult psychiatry
12 services. The purpose of this study shall be to conduct an analysis
13 of the access, service, quality, and utilization of pediatric and adult
14 psychiatry services provided within these programs.

15 The rate review study, at a minimum, shall:

16 (1) evaluate current reimbursement practices within Medicaid
17 and the Children's System of Care utilizing cost data from existing
18 providers;

19 (2) compare provider reimbursement rates paid by Medicaid and
20 the Children's System of Care with those rates paid by other payers,
21 such as Medicare and private insurance, for identical services;

22 (3) analyze the availability and access to pediatric and adult
23 psychiatry services within Medicaid and the Children's System of
24 Care in each geographic region of the State;

25 (4) Assess whether existing reimbursement rates are sufficient
26 to allow for provider retention, access to care, and appropriate
27 payment for high-quality services within Medicaid and the
28 Children's System of Care;

29 (5) establish a means to receive and incorporate provider and
30 stakeholder input; and

31 (6) suggest a rate setting methodology for pediatric and adult
32 psychiatry services within Medicaid and the Children's System of
33 Care in response to the findings of the study.

34 b. The Commissioners of Human Services and Children and
35 Families may require the submission of cost reports, provider
36 surveys, and other materials and data in order to complete the rate
37 review study as required pursuant to this section.

38 c. The Commissioner of Human Services, in collaboration with
39 the Commissioner of Children and Families, shall report the
40 findings and conclusions of the rate review study, as well as any
41 recommendation for legislation, to the Legislature within 1 year of
42 the effective date of this act.

43 d. As used in this section:

44 "Children's System of Care" means the Division of Children's
45 System of Care in the Department of Children and Families.

46 "Medicaid" means the program established pursuant to P.L.1968,
47 c.413 (C.30:4D-1 et seq.).

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