



*State of New Jersey*

DEPARTMENT OF HUMAN SERVICES  
DIVISION OF MENTAL HEALTH AND ADDICTION SERVICES  
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*Assistant Commissioner*

**MEMORANDUM**

**TO:** Supervised Residence Provider

**FROM:** Harry Reyes   
Acting Assistant Director

**DATE:** September 12, 2016

**SUBJECT:** Staff Qualifications at N.J.A.C. 10:37A-7.1 and 7.2

As you are aware, the Department of Human Services recently adopted amendments to the rules governing supervised residence programs at N.J.A.C. 10:37A. Several providers have questioned whether there is increased flexibility regarding staffing requirements under the amended regulations addressing staff qualifications at N.J.A.C. 10:37A-7.1 and 7.2 .

This communication is to clarify that the staffing requirements for supervised housing programs have not changed as a result of the amended regulations. Briefly stated, staffing requirements at supervised residence programs are governed by the Medicaid State Plan for Community Mental Health Rehabilitation Services Provided in/by Community Residences Licensed by the Division of Mental Health Services, as well as the more general requirements at N.J.A.C. 10:37A-7.1 and 7.2. The underlying Medicaid State Plan has not been amended and, consequently, there has not been any change or relaxation of the staffing requirements for supervised residence programs.

The Division will be amending its contracts with supervised residence providers to clarify the staffing requirements in the near future. In the interim, providers should consult the enclosed Medicaid State Plan section applicable to supervised residence services for guidance on staffing requirements.

Attachment

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Addendum to  
Attachment 3.1-A  
Page 13(d).9

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
Limitations on Amount, Duration and Scope of Services  
Provided to the Categorically Needy

13(d).9 Rehabilitation Services (cont'd):

Community Mental Health Rehabilitation Services Provided in/by Community Residences Licensed by the Division of Mental Health Services

Community mental health rehabilitation services are provided in or by community residences licensed by the Division of Mental Health Services to promote the maximum reduction of each individual's mental disability and the restoration of the individual to the best possible level of functioning. Licensed residences include group homes of 15 beds or less, supervised apartments and private residences serving up to five individuals.

Community mental health rehabilitation services include assessment and development of a comprehensive service plan, and implementation of the service plan through individual services coordination, training in daily living skills and supportive counseling. Training in daily living skills is intended to restore the individual to the individual's maximum level of independent functioning. Activities are designed to develop, strengthen, and maintain the knowledge, behaviors, and adaptive and coping skills in all areas of life, including interpersonal relationships, social interactions, and appropriate behavioral conduct needed to develop community living skills and improve or maintain the quality of life. Supportive counseling means verbal interventions that are intended to increase knowledge and skills in order to maximize clients' level of functioning necessary for community living and avoiding (re)hospitalization. Skill development is provided in areas of self care maintenance, illness self management, accessing and utilizing community resources, and social interaction.

Community mental health rehabilitation services are recommended by a licensed clinical practitioner of the healing arts, who at a minimum, is a registered nurse (RN). The services are delivered pursuant to a comprehensive service plan prepared by a treatment team. Services are provided directly by, or under the supervision of, a behavioral health professional who has, at a minimum, a bachelor's degree in a related mental health field or is an RN, and who has at least two years of experience, and who, within the scope of their practice, is authorized to provide, or supervise the provision of, services.

The clinical supervision provided consists of face-to-face visits with each resident/consumer every 90 days by a Registered Nurse (RN) employed by or under contract with the residential provider agency. The visit is not necessarily performed with the treatment team present; however, the nurse must review the consumer's service plan, observations

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13(d).9 Rehabilitation Services (cont'd):

Community Mental Health Rehabilitation Services Provided in/by Community  
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and progress notes made by the direct care staff, provide an assessment of the consumer resident's health and indicate any changes needed in treatment approaches in the service plan as a part of the 90-day monitoring visits. This also includes service recommendations to level of service upon significant change in the consumer resident's condition. Other clinical supervision is provided on an as needed basis, including at a minimum face-to-face visits every 90 days or more frequently based upon significant change in the individual's condition. Direct care staff, at a minimum, must have a high school diploma or equivalent and at least four years of related work or life experience.

- a. Agencies operating community residences for adults with mental illness shall comply with the physical and program standards established by the New Jersey Division of Mental Health Services.
- b. Residential Nurse. Minimally must be licensed by the State as a registered professional nurse.
- c. Residential Counselor. Minimum qualifications include one of the following:
  1. A baccalaureate degree from an accredited college or university with a major in a mental health, health or other appropriate human services related discipline;
  2. A license as a registered nurse;
  3. A combination of one or more years of college, plus related work or life experience together equaling four years. The individual is required to have at least one year of related work or life experience if the four-year college education does not meet the requirements of 1 above;
  4. A license as a practical nurse plus two years of related work or life experience; or
  5. A high school diploma or the equivalent, plus four years of related work or life experience. A residential counselor shall also have a valid driver's license, if driving a vehicle is necessary to provide services.
- d. Senior Residential Counselor. Minimal qualifications include the qualifications of the Residential Counselor plus one year of experience in a residential mental health setting.

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The following are definitions of the terms "assessment," "service plan," and "individual services coordination" as used in this section of the State Plan:

Assessment: The comprehensive and ongoing assessment activities analyze an individual consumer resident's desires, functioning, strengths, needs and environment to determine appropriate interventions. The assessment is individualized, comprehensive and identifies an individual's strengths as well as the skills and services necessary to optimize an individual's success in attaining their identified goals. The assessment minimally consists of the following elements: resident's identifying information, presenting problems, social support system, relationship with family, psychiatric history, mental status (at time of admission), multi-axial diagnosis (if available), primary health, medication history, educational history, work history, functional skills and deficits, recreational / social needs, involvement with other agencies/mental health services and legal information substance use history. The documentation for the non-clinical and non-medical portions of the assessment are completed by the Senior Residential Counselor. The clinical and medical assessments are done by the prescribing physician or nurse as appropriate. The prescribing physician may not be an employee of the provider agency. In these instances, the clinical and medical information is gathered from documentation prepared by the treating practitioner.

In addition, a nursing assessment and reassessments are completed for every individual. This assessment documents the justification for the determination for the appropriate level of care and the continuation of one's level of care.

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Service Plan: A Comprehensive Service Plan (CSP), developed with the consumer resident's active participation and input, is formulated by the Senior Residential Counselor for each consumer subsequent to admission to the residential program. The CSP is developed based on the consumer resident's input and stated needs (goals and time-framed, measurable objectives) and interventions the consumer resident would like from the staff member. The CSP also includes measurable criteria for termination or reduction in residential services. The residential program staff also seek input from the consumer resident's family members and/or significant others as appropriate. The CSP contains the signature of the resident, responsible staff member and effective date. The plan is based on the comprehensive assessment and nursing assessment.

Individual Services Coordination: Staff activities link the consumer resident to the mental health and social service system and arrange for the provision of appropriate services. Individuals who utilize residential (AMHR) services also utilize other Medicaid and non-Medicaid services such as psychiatric therapy, medications, and primary care services. Active coordination between service providers is necessary to ensure that consumer residents receive holistic services in a comprehensive manner. Coordination activities performed by the Residential Counselor and Senior Residential Counselor include intake and referral, admission and acceptance, placement, termination and follow-up, individual services planning and treatment reviews, advocacy with non-mental health systems, and documentation of services provided.

Assistance with non-mental health services will be related directly to the mental health treatment.

Residential counseling means verbal interventions provided to consumer residents and families to assist the consumer resident in accessing and utilizing all planned or needed services. It may include problem solving, advice, encouragement and emotional support to enhance stability in the living arrangement. A residential counselor may provide this service.

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13(d).9 Rehabilitation Services (cont'd):

Community Mental Health Rehabilitation Services. Provided in/by Community Residences Licensed by the Division of Mental Health Services

Crisis intervention services mean the implementation of written emergency policies and procedures focusing primarily on consumer resident and staff safety. Examples include provision of behavior management techniques and request for outside assistance. Behavioral management techniques exclude physical and chemical restraint, aversive conditioning and punishment. Crisis intervention services shall be documented and shall be supported by such policies and procedures, which reflect adequate responses to emergent situations. A Residential Counselor may provide these services.

~~Crisis intervention counseling means an attempt to facilitate crisis stabilization through the use of specific, time-limited counseling techniques. Crisis intervention counseling focuses on the present, providing pragmatic solutions to identified problems. These services may be provided by a Residential Counselor~~

Medication education means providing adequate information in an understandable format regarding the relative effectiveness and safety of medications, in order for the consumer to make an informed decision regarding medication issues. Staff shall assist and support consumer residents in adhering to their medication regimes, and where appropriate, shall implement interventions, such as medication self-management, behavioral tailoring, simplifying a consumer's medication regimen, and motivational interviewing. Staff shall specifically review with the consumer how medication management issues may impact their personal recovery goals. Medication education may be provided by the Registered nurse, or by the Residential Counselor with training in the area of medications.

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13(d).9 Rehabilitation Services (cont'd):

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Education means instruction for consumer residents in basic skills, and increasing learning capabilities, in the areas of psychoeducation and health. Education can be provided by or arranged by the RN or Residential Counselor/ Program Coordinator/Supervisor. Note that academic education is not included.

Health care monitoring and oversight services mean the face-to-face health care monitoring visits by the RN with each consumer resident every 90 days in the consumer's residence in order to provide an assessment of the consumer resident's health and provide direction to staff; a determination of medical services and medical referrals needed by the consumer resident; assistance with or monitoring of medical appointments and the treatment recommendations made by medical professionals, and assistance with following treatment recommendations and coping with medical conditions. For example, for consumer residents with diabetes, this assistance may include monitoring blood sugar levels on a daily basis and taking action when the level is out of the acceptable range for the particular consumer resident.

These services are limited to beneficiaries who are not receiving PACT services.

These services are not subject to prior authorization.

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
STATE OF NEW JERSEY

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES FOR NON-  
INSTITUTIONAL SERVICES

**Reimbursement for Community Mental Health Rehabilitation Services in/by  
Community Residences Licensed by the Division of Mental Health Services**

Reimbursement for community mental health rehabilitation services for eligible Medicaid and NJ FamilyCare-Plan A individuals is based on site-specific levels of care delivered by each provider. Licensed residences include group homes of 15 beds or less, supervised apartments and private residences serving up to five individuals. Reimbursement will be made at a per diem rate or made in accordance with a fee schedule at a ¼ hour rate, depending on the level of care provided.

1. Level A+ means community mental health rehabilitation services available in the community residence or in a community setting 24 hours per day delivered by the provider.
2. Level A means community mental health rehabilitation services available in the community residence or in a community setting at least 12 hours per day, but less than 24 hours per day, delivered by the provider.
3. Level B means community mental health rehabilitation services provided in the community residence or in a community setting at least 4 hours per day, but less than 12 hours per day, delivered by the provider.
4. Level C means community mental health rehabilitation services provided in the community residence or in a community setting a minimum of 1 hour per week, delivered by the provider.
5. Level D means community mental health rehabilitation services available in the community residence, in residences not to exceed five residents, or in a community setting, 24 hours per day, delivered by the provider.

Levels A+, A, and D are reimbursed on a per diem rate. Level B services provided to supervised apartment residents and Level C services are reimbursed on a ¼ hour basis. Level B services provided to group home residents are reimbursed on a per diem rate.

Except as otherwise noted in the plan, state developed fee schedule rates used for the reimbursement of Level B services provided to supervised apartment residents and Level C services are the same for both governmental and private providers. In no event shall the payment exceed the charge by the provider for identical services to other governmental agencies, or other groups or individuals in the community.

The effective date of the applicable fee schedules as well as a link to its electronic publication can be found on page 36 of Attachment 4.19-B of the State Plan.

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**METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES FOR NON-  
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**Reimbursement for Community Mental Health Rehabilitation Services In/by  
Community Residences Licensed by the Division of Mental Health Services**

Reimbursement for each level of care shall be made in accordance with a fee schedule. Rates specific to each level of care are developed based on the average cost per billable unit. The fees are all-inclusive and are based on the range of services included within the service definition.

The average costs were developed from actual cost information from providers for each level of care. A one-month sample of actual allowable costs incurred during CY 2002 was used to allocate the final annual costs as reflected in the final Reports of Expenditure for contract years ending in CY 00 or 01, as adjusted by the providers' independent audits. Unallowable costs such as room, board, and other non-treatment/rehabilitation costs were deducted from the actual sample period costs to arrive at the allowable costs that were used in the allocation. ~~Those costs that were determined to be reasonable by the Department were allowed.~~ The allowable cost information from CY 00 or CY 01 contracts was then adjusted to rate year (SFY 02 and 03) dollars to assure comparability and applicability to the rate year. The total gross adjusted allowable costs were then divided by the average volume of eligible service units to arrive at an average allowable daily or, as applicable, ¼ hour rate per unit of service.

Medicaid/NJ FamilyCare – Plan A reimbursement will not include payment for costs related to room and board related to 24 hour stays:

Governmental and non-governmental providers are reimbursed at the same rates.

In no event shall the payment exceed the charge by the provider for identical services to other governmental agencies, or other groups or individuals in the community:

The effective date of the applicable fee schedules as well as a link to its electronic publication can be found on page 36 of Attachment 4.19-B of the State Plan.

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