

amended by P.L. 1978, c.83; P.L. 1991, c.187; P.L. 1992, c.160; P.L. 1998, c.43; and P.L. 2004, c.54 and c.113, and support the public policy of the State that hospital and related health care services of the highest quality, of demonstrated need, efficiently provided and properly utilized at a reasonable cost, be available to inhabitants of the State.

Amended by R.1993 d.593, effective November 5, 1993.
See: 25 N.J.R. 3117(a), 25 N.J.R. 3566(a), 25 N.J.R. 5149(a).
Amended by R.2006 d.27, effective January 17, 2006.
See: 37 N.J.R. 2165(a), 38 N.J.R. 667(a).
Added citations P.L. 1998, c.43 and P.L. 2004, c.54 and c.113.

Case Notes

New Jersey statutes and regulations were not preempted by ERISA because they referred to self-funded union plan. *United Wire, Metal and Mach. Health and Welfare Fund v. Morristown Memorial Hosp.*, C.A.3 (N.J.)1993, 995 F.2d 1179, certiorari denied 114 S.Ct. 382, 126 L.Ed.2d 332, leave to file for rehearing denied 115 S.Ct. 536, 130 L.Ed.2d 438, rehearing denied 114 S.Ct. 651, 126 L.Ed.2d 608, certiorari denied 114 S.Ct. 383, 126 L.Ed.2d 332, rehearing denied 114 S.Ct. 743, 126 L.Ed.2d 706.

Rate setting and review; peer comparison; reimbursement. In re: 1976 Hospital Reimbursement for Kessler Memorial Hospital, 78 N.J. 564, 397 A.2d 656 (1979).

8:31B-1.2 Definitions

The following words and terms, as used in this chapter, shall have the following meanings unless the context clearly indicates otherwise.

“Adjusted admissions” means inpatient admissions increased to reflect outpatient activity and is calculated by admissions multiplied by total gross revenue divided by inpatient gross revenue.

“Audited Current Cost Base” means the current cost base of the hospital, as adjusted as a result of audits conducted by the Department and/or acceptance by the Department of adjustments initiated by the hospital, in addition to the adjustments.

“Current Cost Base” means the actual costs and revenues of the hospital as identified in the Financial Elements in the reporting period, as adjusted by the Department for completeness and/or mathematical accuracy.

“Department” means the New Jersey Department of Health and Senior Services.

“Financial Elements” means those items of revenue, expenses and other data defined in N.J.A.C. 8:31B-4 for reporting to the Department of Health and Senior Services.

“Hospital” means each general hospital and each specialty heart hospital that is licensed in accordance with N.J.A.C. 8:43G.

“Neonate” means a newborn less than 29 days of age.

“Reporting Period” means the most recent calendar or fiscal year prior to the June 30th submission deadline for the hospital’s current cost base reports.

“Reporting Year” means the year in which current financial and statistical data is being reported.

“Uniform Bill-Patient Summary” (also referred to as the UB-82) means a common billing and reporting form used by the hospital for each inpatient (see N.J.A.C. 8:31B-2).

Amended by R.1991 d.158, effective March 18, 1991.
See: 22 N.J.R. 3724(a), 23 N.J.R. 898(a).

Definitions for full rate review and prospective operating adjustment added.

Amended by R.1992 d.62, effective February 3, 1992.

See: 23 N.J.R. 3097(a), 24 N.J.R. 425(a).

Definition for Preliminary Cost Base revised.

Amended by R.1993 d.593, effective November 15, 1993.

See: 25 N.J.R. 3117(a), 25 N.J.R. 5149(a).

Amended by R.2000 d.339, effective August 21, 2000.

See: 32 N.J.R. 1364(a), 32 N.J.R. 3059(b).

Inserted “Department”.

Amended by R.2003 d.40, effective January 21, 2003.

See: 34 N.J.R. 2237(a), 34 N.J.R. 2549(b), 35 N.J.R. 408(a).

Added “Audited Current Cost Base”, “Current Cost Base”, “Hospital” and “Reporting Period”. Deleted “Base year”, “Equalization Factor”, “Labor Market Area”, “Preliminary Cost Base”, “Utilization Review Committee”, and “Utilization Review Organization (URO)”; amended “Current Cost Base”.

Amended by R.2006 d.27, effective January 17, 2006.

See: 37 N.J.R. 2165(a), 38 N.J.R. 667(a).

Rewrote definition “Hospital.”

SUBCHAPTER 2. HOSPITAL REPORTING OF UNIFORM BILL DATA (INPATIENT, SAME-DAY SURGERY AND EMERGENCY DEPARTMENT OUTPATIENT)

8:31B-2.1 Purpose

(a) The purpose of this subchapter is to provide the basis for a single patient data reporting system to satisfy the health planning requirements of the Health Care Reform Act of 1992 (P.L. 1992, c. 160). The subchapter incorporates herein by reference the National Uniform Bill (UB-92, HCFA-1450) as amended and supplemented as the common hospital billing format for all payers, except that payers shall use the UB-92 exclusively until the Department provides notice through mailing, posting on the Department website and publication in the New Jersey Register that it is accepting an amended or supplemented form of the UB-92. The data elements and design of the form have been determined by the National Uniform Billing Committee (NUBC). The NUBC includes representatives of the Federal Government, major payers and hospital associations. The NUBC is a Designated Standard Maintenance Organization (DSMO) in accordance with the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 as adopted by the United States Congress. The Uniform Bill may be transmitted electronically according to a HIPAA-compliant format developed and maintained by another DSMO, Accredited Standards

Committee X12 (ASC X12) of the American National Standards Institute (ANSI). The UB-92 and HIPAA-compliant electronic format and succeeding updates are incorporated herein by reference, except that payers shall use the UB-92 exclusively until the Department provides notice through mailing, posting on the Department website and publication in the New Jersey Register that it is accepting an amended or supplemented form of the UB-92. The UB-92, as amended and supplemented, can be obtained from the American Hospital Association, National Uniform Billing Committee, 29th Floor, 1 North Franklin, Chicago, IL 60606. The HIPAA-compliant electronic format can be obtained from Washington Publishing Company, 5284 Randolph Road, Rockville, MD 20852-2116.

(b) This subchapter will continue to allow hospitals to:

1. Satisfy Department of Health and Senior Services reporting requirements for patient level clinical and financial information;
2. Allow for common and consistent reporting of revenues for services related to patient care; and
3. Promote uniformity and accuracy of patient data reporting. Confidentiality of individual patients and physicians shall be maintained in fulfilling the above purposes.

Amended by R.1984 d.610, effective January 7, 1985.
 See: 16 N.J.R. 2728(a), 17 N.J.R. 80(b).
 Amended by R.1993 d.362, effective July 19, 1993.
 See: 25 N.J.R. 1660(a), 25 N.J.R. 3205(a).
 Amended by R.1994 d.488, effective September 19, 1994.
 See: 26 N.J.R. 10(a), 26 N.J.R. 3839(a).
 Amended by R.2000 d.339, effective August 21, 2000.
 See: 32 N.J.R. 1364(a), 32 N.J.R. 3059(b).
 Amended by R.2003 d.459, effective December 1, 2003.
 See: 35 N.J.R. 1826(a), 35 N.J.R. 5376(a).
 Rewrote (a).
 Amended by R.2006 d.27, effective January 17, 2006.
 See: 37 N.J.R. 2165(a), 38 N.J.R. 667(a).
 Rewrote (a).

8:31B-2.2 Implementation

Beginning January 1, 1981, N.J.A.C. 8:31B-2.1, the rule on Hospital reporting of Uniform Bill Patient Summaries (Inpatient), has been used as a common billing and reporting mechanism for each inpatient discharged and ambulatory same day surgery outpatient treated in each acute care general hospital. As of December 1, 2003, this rule will also apply to emergency department outpatients.

Amended by R.1981 d.404, effective November 2, 1981.
 (to become operative January 1, 1982).
 See: 13 N.J.R. 410(a), 13 N.J.R. 756(c).
 Added paragraph (g) 1-3.
 Amended by R.1984 d.610, effective January 7, 1985.
 See: 16 N.J.R. 2728(a), 17 N.J.R. 80(b).
 Amended by R.1989 d.154, effective March 20, 1989.
 See: 20 N.J.R. 3057(a), 21 N.J.R. 752(b).
 Newborn inpatient birthweight and Severity of Illness indicators added to DRGs.
 Amended by R.1992 d.62, effective February 3, 1992.
 See: 23 N.J.R. 3097(a), 24 N.J.R. 425(a).

(c)2i revised.
 Amended by R.1993 d.362, effective July 19, 1993.
 See: 25 N.J.R. 1660(a), 25 N.J.R. 3205(a).
 Amended by R.2000 d.339, effective August 21, 2000.
 See: 32 N.J.R. 1364(a), 32 N.J.R. 3059(b).
 Substituted a reference to acute care general hospitals for a reference to hospitals covered under Chapter 83, P.L. 1978.
 Amended by R.2003 d.459, effective December 1, 2003.
 See: 35 N.J.R. 1826(a), 35 N.J.R. 5376(a).
 Added the last sentence.

8:31B-2.3 Billing form

(a) The UB is a multi-part form set. Detailed specifications are included with the UB completion guidelines.

(b) The form is designed to be typed or computer printed. It will be available as unit sets or in a printed version. The number of copies in each form set will be determined by the hospital according to its planned use of the forms.

Amended by R.1984 d.610, effective January 7, 1985.
 See: 16 N.J.R. 2728(a), 17 N.J.R. 80(b).
 Amended by R.1993 d.362, effective July 19, 1993.
 See: 25 N.J.R. 1660(a), 25 N.J.R. 3205(a).
 Amended by R.1994 d.488, effective September 19, 1994.
 See: 26 N.J.R. 10(a), 26 N.J.R. 3839(a).
 Amended by R.2000 d.339, effective August 21, 2000.
 See: 32 N.J.R. 1364(a), 32 N.J.R. 3059(b).
 In (a), deleted "printed in red ink" at the end.
 Amended by R.2006 d.27, effective January 17, 2006.
 See: 37 N.J.R. 2165(a), 38 N.J.R. 667(a).
 In (a), deleted "-92" following "UB" throughout.

8:31B-2.4 Guidelines for completion of the patient billing and abstract form

(a) Procedural guidelines for completing the patient billing and abstract form follows:

1. Guidelines for completing the billing form have been developed by the NUBC for Medicare, Medicaid, TRICARE, and Commercial Insurers.
2. Specific instructions for Blue Cross, Medicaid, and other payers will be provided by those payers.

3. Additional data elements required for the Department of Health and Senior Services by this rule are described in detail by an addendum to the National Uniform Bill Manual. Note: The addendum consists of instructions for filling out the new, Federally mandated form; copies of the addendum can be obtained from the Department.

(b) Billing timelines requirements are as follows:

1. A UB shall be completed, finalized and submitted to the Data Intermediary for each patient within 30 days of discharge of the patient.
2. Where claims administration and cash flow considerations would dictate a more current billing than the 30 day requirement, a preliminary version of the UB containing only those items required for the particular payer need be utilized at the time of billing. In interim

billing cases, it is required that the full patient billing and abstract information be completed and submitted to the data intermediary in compliance with the data intermediary time limits and these rules, specifically N.J.A.C. 8:31B-2.5(g). Data items reported to the data intermediary for transmission to the Department of Health and Senior Services shall not differ from data upon which payment was based.

3. The hospital shall submit discharge data daily to the data intermediary. That daily submission shall include the data on all discharges billed the previous day.

Amended by R.1980 d.361, effective August 7, 1980.
See: 12 N.J.R. 392(d), 12 N.J.R. 517(b).
Amended by R.1981 d.404, effective November 2, 1981 (operative January 1, 1982).
See: 13 N.J.R. 410(a), 13 N.J.R. 756(c).
Item 41: Note substantially amended.
Amended by R.1983 d.598, effective December 19, 1983.
See: 15 N.J.R. 1325(a), 15 N.J.R. 2162(a).
022: New Jersey Blue Cross was "Other" New Jersey Blue Cross; reference to "Host Bank" deleted.
026: New Jersey Blue Cross was "Other" Blue Cross.
Amended by R.1984 d.610, effective January 7, 1985.
See: 16 N.J.R. 2728(a), 17 N.J.R. 80(b).
Amended by R.1989 d.154, effective March 20, 1989.
See: 20 N.J.R. 3057(a), 21 N.J.R. 752(b).
Citation error corrected.
Amended by R.1992 d.62, effective February 3, 1992.
See: 23 N.J.R. 3097(a), 24 N.J.R. 425(a).
DRG data items to be same as payment data.
Amended by R.1993 d.362, effective July 19, 1993.
See: 25 N.J.R. 1660(a), 25 N.J.R. 3205(a).
Amended by R.1994 d.488, effective September 19, 1994.
See: 26 N.J.R. 10(a), 26 N.J.R. 3839(a).
Amended by R.2000 d.339, effective August 21, 2000.
See: 32 N.J.R. 1364(a), 32 N.J.R. 3059(b).
In (b), deleted "appropriate" preceding "data" in the second sentence of 2, and added 3.
Amended by R.2003 d.459, effective December 1, 2003.
See: 35 N.J.R. 1826(a), 35 N.J.R. 5376(a).
Rewrote (b)3.
Amended by R.2006 d.27, effective January 17, 2006.
See: 37 N.J.R. 2165(a), 38 N.J.R. 667(a).
Rewrote (a)1; in (b)1, substituted "shall" for "must"; in (b)1 and 2, deleted "-92" following "UB."

8:31B-2.5 Health data submissions to the Department of Health and Senior Services

(a) A data intermediary shall be selected as follows:

1. A data intermediary is the data processor approved by the Department of Health and Senior Services responsible for collecting, editing, generating selected reports, and submitting the UB data to the Department of Health and Senior Services.

2. A single data intermediary shall be chosen and shall be responsible for all patients regardless of payor class. In the event that it becomes necessary to approve additional data processors, the Department will promulgate an approved list of data processors.

(b) Contractual arrangements between the hospital and the data intermediary shall include the following:

1. The contractual arrangements between a hospital and its data intermediary shall include:

i. Provisions for compliance with the data submission time limits specified in N.J.A.C. 8:31B-2.4(b);

ii. Provisions for permitting delays in such submissions to the intermediary when circumstances require;

iii. Provisions for resolution of any resulting disputes.

2. Provisions must not affect the ability of the intermediary to comply with the timing requirements set forth in (g) below.

(c) The contractual arrangements shall provide for the quality control measures needed to ensure accurate and reliable data submission by the hospital.

(d) To assess the accuracy and reliability of the data provided to the Department of Health and Senior Services, the Department of Health and Senior Services shall periodically audit selected records in the hospital.

(e) Data shall be edited as follows:

1. The data received by the intermediary from the hospital must be edited prior to submission to the Department of Health and Senior Services, in accordance with the current contract between the Department and the data intermediary.

2. Problems detected by these edits shall be corrected by the Intermediary and the hospital.

3. The hospital shall submit information required by the data intermediary for edit correction within two working days of the request.

(f) Reports shall be produced as follows:

1. The data intermediary shall produce, for the Department of Health and Senior Services and each hospital, a set of periodic reports which will accurately represent the data submitted by each hospital, in accordance with the current contract between the Department and the data intermediary.

2. In addition, hospitals may designate an additional organization, known as a data reporter, to assist in the verification of the accuracy and reliability of the data submitted to the intermediary. The Department of Health and Senior Services shall direct the data intermediary, selected under (a) above, to release a hospital's data to the reporter only upon receipt of a current signed agreement between the hospital and the data reporter. This agreement shall be updated annually, and shall:

i. Indicate the hospital's designation of a data reporter;

ii. Provide for the protection of confidential data consistent with Department of Health and Senior Services procedures; and

iii. Allow for subsequent re-release of the data by the reporter only when the procedures, set by the Department of Health and Senior Services, have been followed.

3. These reports are to be used by the hospitals, in conjunction with any other information provided by their data collector or the Department of Health and Senior Services, to verify the accuracy and reliability of the data submitted.

4. The ultimate responsibility for the completeness and accuracy of the UB data submitted to the Department of Health and Senior Services rests with the hospital.

5. Upon request of a payer, the final UB information shall be provided to the payer, for its own cases, by the UB Intermediary.

(g) Data shall be submitted to the Department of Health and Senior Services as follows:

1. Those data elements required to be submitted to the Department of Health and Senior Services by each hospital through the data intermediary are described in detail in the addendum to the UB guidelines. Instructions are available from the Department for formatting the UB data elements into an electronic format for reporting to the Department of Health and Senior Services using a HIPAA-compliant electronic format. These instructions are known as the HIPAA-Compliant ANSI ASC X12 Addendum Guide, incorporated herein by reference. The ANSI ASC X12 Addendum Guide can be obtained from Program Manager, Health Care Financing Systems, PO Box 360, Trenton, NJ 08625-0360.

2. These required data, edited pursuant to (e) above, shall be submitted to the Department of Health and Senior Services by the data intermediary in a computer processable format and medium, specified by the current contract between the Department and the data intermediary, within 5 days of the end of each calendar month.

3. Each submission is to include the data on all discharges billed during the previous calendar month.

4. Records not received by the Department of Health and Senior Services (including corrections of fatal errors and records with missing or incorrect information), within the time frames specified, shall be subject to a penalty of \$1.00 per record per day. The Department shall provide 30 days notice of its intent to close the data base. The data base shall be closed no sooner than 90 days following the end of the calendar year and no additional cases shall be added after that time.

5. All data submitted to the Department of Health and Senior Services will be edited upon receipt by the data

intermediary and any problems detected shall be corrected by the data intermediary with any necessary assistance from the hospital.

(h) All protected health information submitted to the data intermediary pursuant to this regulation is subject to Standards for Privacy of Individually Identifiable Health Information, 45 CFR Part 160 and Part 164.

(i) The intermediary(ies) shall charge the hospitals a maximum amount of \$1.45 per discharge to process hospital UB data.

Amended by R.1984 d.610, effective January 7, 1985.
See: 16 N.J.R. 2728(a), 17 N.J.R. 80(b).

Substantially amended.

Amended by R.1991 d.158, effective March 18, 1991.
See: 22 N.J.R. 3724(a), 23 N.J.R. 898(a).

No cases added to data base after closing.

Amended by R.1993 d.362, effective July 19, 1993.
See: 25 N.J.R. 1660(a), 25 N.J.R. 3205(a).

Amended by R.1994 d.488, effective September 19, 1994.
See: 26 N.J.R. 10(a), 26 N.J.R. 3839(a).

Amended by R.2000 d.339, effective August 21, 2000.
See: 32 N.J.R. 1364(a), 32 N.J.R. 3059(b).

In (a)2, deleted "by each hospital" following "chosen" in the first sentence; in (d), deleted "with no attempt to tie together patient names and patient identification numbers at the Department of Health" at the end; in (e), rewrote 1, and added 4; in (f), rewrote the introductory paragraph, deleted a former 2, and recodified former 3 through 6 as 2 through 5; and rewrote (g).

Amended by R.2003 d.459, effective December 1, 2003.
See: 35 N.J.R. 1826(a), 35 N.J.R. 5376(a).

Rewrote the section.

Amended by R.2006 d.27, effective January 17, 2006.
See: 37 N.J.R. 2165(a), 38 N.J.R. 667(a).

Deleted "-92" following "UB" throughout; in (g)1, deleted "225 East State Street."

8:31B-2.6 (Reserved)

SUBCHAPTER 3. FINANCIAL MONITORING AND REPORTING REGULATIONS

8:31B-3.1 Statement of purpose

The following financial monitoring and reporting rules in conjunction with Financial Elements (N.J.A.C. 8:31B-4), the Uniform Cost Reporting (N.J.A.C. 8:31A-5.5) and the Rules on Hospital Reporting of Uniform Bill—Patient Summaries regulations (N.J.A.C. 8:31B-2), constitute the minimum necessary steps for implementing the Health Care Facilities Planning Act, P.L. 1971, c.136 as amended by P.L. 1978, c.83; P.L. 1991, c.187 and P.L. 1992, c.160. These regulations should provide an environment in which to move towards the objectives of an accurate system of monitoring and reporting. This system meets the purpose of the law, to insure the citizens of New Jersey economical provision of necessary and appropriate medical services of the highest quality.

Amended by R.1993 d.593, effective November 15, 1993.
See: 25 N.J.R. 3117(a), 25 N.J.R. 5149(a).