Frequently Asked Questions

New Jersey Medicaid Laboratory Drug Testing for Substance Use Disorder

Effective July 1, 2026

Purpose:

This FAQ supports providers billing SUD laboratory drug testing services following integration into Medicaid Managed Care. SUD laboratory services previously covered by Fee-for-Service (FFS) will now be managed by Medicaid Managed Care Organizations (MCOs). The State's goals are to ensure high-quality services and prevent fraud, waste, and abuse (FWA).

What is changing for SUD laboratory drug testing in New Jersey Medicaid?

NJFamilyCare SUD laboratory services will be integrated into managed care on July 1, 2026. This means the State will no longer reimburse independent laboratories for SUD laboratory services through FFS. Labs must submit claims to NJFamilyCare managed care organizations (MCOs) for reimbursement.

Are SUD laboratory drug testing services still covered?

Yes. Covered services remain covered. Integration only changes claims processing responsibility.

Which drug testing codes are included in the SUD lab integration?

In-scope codes included presumptive CPT 80305, 80306,80307 and Definitive HCPCS G0480, G0481. Standard Medicaid coding and documentation requirements apply.

What is the transition period?

Starting July 1, 2026, a transition period will begin. The purpose of transition is to ensure MCOs, independent laboratories, and SUD providers learn managed care processes, such that member care delivery is not impacted by the full integration of laboratory services.

During transition, the State will expect MCOs, laboratories, and SUD providers to:

- Meet performance standards, including turnaround time and technical support
- Provide data in regular reports to enable the state to monitor performance
- Complete deliverables and activities designed to build readiness in all parties for integration.

These performance standards have been established in direct response to the input we've received from stakeholders on this topic in the recent months.

The transition period will last no less than six months. When transition ends, MCOs will assume management of SUD laboratory services; reimbursement of out-of-network claims will no longer be required, and MCOs resume standard prior authorization procedures.

The State will use data and other inputs to determine the conclusion to the transition period.

It is critical that labs and SUD providers partner with the State and MCOs to actively participate in transition. The State will regularly update all stakeholders on progress and plans as transition progresses.

What are the transition policies?

The following policies will be in place during transition to mitigate impact:

- All clean claims submitted by both in-network and out-of-network independent laboratories will be reimbursed at the FFS rate floor, within current utilization limits
- Prior authorizations are not required for reimbursement of SUD laboratory services.
- The transition period will last no less than six months. When transition ends, MCOs will assume management of SUD laboratory services; reimbursement of out-of-network claims will no longer be required, and MCOs resume standard prior authorization procedures.
- The State will use data and other inputs to determine the conclusion to the transition period.
- It is critical that labs and SUD providers partner with the State and MCOs to actively participate in transition. The State will regularly update all stakeholders on progress and plans as transition progresses.

What happens post-transition?

MCOs fully manage services, out-of-network reimbursement is not required, and prior authorization may apply.

Where should providers submit claims?

Claims must be submitted directly to UnitedHealthcare for enrolled members beginning July 1, 2026. Claims submitted to NJ Medicaid FFS on or after this date may be denied or redirected.

How will providers be reimbursed?

Reimbursement will be no less than the NJ Medicaid FFS rate for covered services, for both in-and out-of-network providers unless a capitated agreement is in place**.** This FFS floor rate applies to independent Lab providers only. All non-lab providers will pay according to their contracted rate.

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Do providers need to be in-network?

Network participation is encouraged but not required for reimbursement.

embers (Commercial and Managed Medicaid/Medicare) to ensure the coverage is active and ascertain what to expect for copayment, if any. Please be mindful of the New Jersey FamilyCare membership when receiving a referral.

What happens if billed to FFS after July 1, 2026?

Such claims may be denied or redirected, and providers may need to resubmit to UnitedHealthcare.

Are standard Medicaid billing rules required?

Yes. Providers must follow standard Medicaid billing, coding, and documentation rules.

Does this affect services before July 1, 2026?

No. Services before that date should be billed under the rules in effect at the time of service.

Who should providers contact with questions?

Providers should contact UnitedHealthcare Provider Services through standard channels.

What is the Timely Filing expectations?

The timely filing limit for initial UHCCPN SUD lab claims is 180 days from the date of service. .

What are the Claims Processing Timeframes?

Clean claims must be processed within State standards (15 days for 90% of electronic claims, 30 days for 90% of paper claims and 45 days for 99.5% of all claims).

What are the referring/ordering provider requirements?

MCOs will send confirmation of each MCO's planned in-network independent labs to ordering providers after go-live begins. Ordering providers do not need to be in-network with an MCO to order an SUD laboratory test from an in-network lab.

Throughout transition, you may be asked to provide information on lab performance (e.g., through surveys). It is important that you respond to these asks from the State and/or MCOs to allow the State to monitor compliance with lab service level requirements.

As part of expectations to complete readiness activities, you should complete preparations to work with these in-network labs by Jan 1, 2027. This includes establishing specimen pick-up schedules, setting up any technical configurations between your EHR and the lab's information systems, and familiarizing yourself with the lab's end-to-end ordering processes.

Ordering providers must include ordering provider name and NPI. Must be enrolled in NJ FamilyCare.

What are the Network participation requirements?

UHCCPNJ is required to maintain a laboratory network that meets DMAHS standards but is not required to contract with every willing provider. Laboratories are encouraged to engage UHCCPNJ regarding network participation.

Who should providers contact?

Behavioral Health Network Management can be reached at njnetworkmanagement@optum.com