

September 13, 2023

Jennifer Langer Jacobs
Director, Department of Human Services
Division of Medical Assistance and Health Services
P.O. Box 712
Trenton, NJ 08625-0712

Dear Director Jacobs:

On February 28, 2023, New Jersey submitted a request for an amendment to the New Jersey FamilyCare Comprehensive Demonstration section 1115(a) demonstration (Project Numbers: 11-W-00279/2 and 21-W-00068/2). This request was submitted in response to the section 1115(a) demonstration opportunity announced to states on March 22, 2020, in State Medicaid Director Letter (SMDL) #20-002¹, to address the COVID-19 Public Health Emergency (PHE) which ended on May 11, 2023². CMS has determined that the state's application is complete, consistent with the exemptions and flexibilities outlined in 42 CFR §§ 431.416(e)(2) and 431.416(g).³ CMS expects that states will offer, in good faith and in a prudent manner, a post-submission public notice process, including tribal consultation as applicable, to the extent circumstances permit. This letter serves as a time-limited approval of the state's requests, which will be approved as an amendment under the New Jersey FamilyCare Comprehensive Demonstration, and which is hereby authorized retroactively from March 1, 2020, and ending when all redeterminations for Medicaid and CHIP beneficiaries are conducted during the unwinding period.

CMS has determined that the COVID-19 PHE amendment to the New Jersey FamilyCare Comprehensive Demonstration – including the Medicaid expenditure authority detailed below is necessary to assist the state in delivering the most effective care to its beneficiaries in light of the COVID-19 PHE. The demonstration amendment is likely to assist in promoting the

¹ See SMDL #20-002, "COVID-19 Public Health Emergency Section 1115(a) Opportunity for States," available at <https://www.medicaid.gov/sites/default/files/Federal-Policy-Guidance/Downloads/smd20002-1115template.docx>.

² <https://aspr.hhs.gov/legal/PHE/Pages/COVID19-9Feb2023.aspx>
<https://www.hhs.gov/about/news/2023/02/09/letter-us-governors-hhs-secretary-xavier-becerra-renewing-covid-19-public-health-emergency.html>

³ Pursuant to 42 CFR 431.416(g), CMS has determined that the existence of unforeseen circumstances resulting from the COVID-19 PHE warrants an exception to the normal state and federal public notice procedures to expedite a decision on a proposed COVID-19 section 1115 demonstration or amendment. States applying for a COVID-19 section 1115 demonstration or amendment are not required to conduct a public notice and input process. CMS is also exercising its discretionary authority to expedite its normal review and approval processes to render timely decisions on state applications for COVID-19 section 1115 demonstrations or amendments. CMS will post all section 1115 demonstrations approved under this COVID-19 demonstration opportunity on the Medicaid.gov website.

objectives of the Medicaid statute because it is expected to help the state furnish medical assistance in a manner intended to protect, to the greatest extent possible, the health, safety, and welfare of individuals who may be affected by COVID-19. This approval allows the state to align their policies for young adults in Medicaid and Children’s Health Insurance Program (CHIP) and prevent gaps in coverage during the PHE.

In addition, in light of the unprecedented emergency circumstances associated with the COVID-19 pandemic and in consequence of the time-limited nature of this demonstration amendment, CMS did not require the state to submit budget neutrality calculations for this COVID-19 PHE amendment to the New Jersey FamilyCare Comprehensive Demonstration. In general, CMS has determined that the costs to the federal government are likely to have been otherwise incurred and allowable. New Jersey will still be required to track demonstration expenditures and will be expected to evaluate the connection between those expenditures and the state’s response to the PHE, as well as the cost-effectiveness of those expenditures. Due to the highly limited scope of the changes under the amendment, CMS is incorporating this amendment as Attachment U to the New Jersey FamilyCare Comprehensive Demonstration Special Terms and Conditions (STC).

Request CMS is Approving at this Time

CMS is approving the Medicaid expenditure authority, as described below and consistent with the state’s implementation, retroactively starting March 1, 2020, and ending when all redeterminations are conducted for Medicaid and CHIP beneficiaries during the unwinding period.

- **Continuous Coverage for Individuals Determined Ineligible for CHIP Due to a Change in Circumstances.** Expenditures to provide continued eligibility for CHIP enrollees who were determined to be ineligible for CHIP due to a change in circumstances and who are otherwise ineligible for Medicaid due to income above 147 percent of the federal poverty level (FPL) between March 1, 2020 and ending when all redeterminations for Medicaid and CHIP beneficiaries are conducted during the unwinding period, with the following exceptions for enrollees who:
 1. Are deceased;
 2. Voluntarily withdraw from benefits; or
 3. Are no longer New Jersey residents.

Monitoring and Evaluation Requirements

Under this amendment, the state will test whether and how the approved authority facilitates the state’s response to the PHE. To that end, CMS expects the state to undertake data collection and analyses that are meaningful; CMS believes that these will not be unduly burdensome. The state must submit an Evaluation Design to CMS no later than 60 days after the demonstration amendment is approved. As described further in Attachment U, the state is expected to describe its plans to collect quantitative and qualitative data in the Evaluation Design. The Evaluation Design should describe how the state may leverage, for example, qualitative methods and descriptive data to help address evaluation questions that will support understanding the successes, challenges, and lessons learned in implementing the demonstration amendment. The

state is required to post its Evaluation Design to the state’s website within 30 days of CMS approval of the Evaluation Design, per 42 CFR 431.424(e).

Furthermore, in alignment with the approved Evaluation Design, no later than one year after the end of the amendment approval period, the state must submit a Final Report. The Final Report will consolidate the monitoring and evaluation reporting requirements for these authorities. The Final Report will undertake qualitative and descriptive assessment on the demonstration implementation, lessons learned, and best practices for similar situations. The Final Report should also outline any challenges and limitations that might be encountered in the planning and conduct of the monitoring and evaluation activities. Per 42 CFR 431.420(f), the state must comply with any requests for data from CMS or its federal evaluation contractors. Per the standard Public Access requirement associated with section 1115 demonstration deliverables, the state will post the CMS-approved Final Report to its website within 30 calendar days of CMS approval.

Approval of this demonstration amendment is subject to the limitations specified in the approved expenditure authority and the enclosed Attachment U to the STCs. The state may deviate from its Medicaid state plan requirements only to the extent specific in the approved expenditure authority and the enclosed STCs for the demonstration. This approval is conditioned upon continued compliance with the previously approved STCs, which set forth in detail the nature, character, and extent of anticipated federal involvement in the project.

The award is subject to CMS receiving written acceptance of this award within 15 days of the date of this approval letter. Your project officer is Sandra Phelps. Ms. Phelps is available to answer any questions concerning implementation of the state’s section 1115(a) demonstration amendment and her contact information is as follows:

Centers for Medicare & Medicaid Services
Center for Medicaid and CHIP Services
Mail Stop S2-25-26
7500 Security Boulevard
Baltimore, Maryland 21244-1850
Email: Sandra.Phelps@cms.hhs.gov

We appreciate your state’s commitment to addressing the significant challenges posed by the COVID-19 pandemic, and we look forward to our continued partnership on the FamilyCare Comprehensive section 1115(a) demonstration. If you have any questions regarding this approval, please contact Ms. Mehreen Rashid, Acting Director, State Demonstrations Group, Center for Medicaid and CHIP Services, at (410) 786-9686.

Sincerely,

A solid black rectangular box redacting the signature of Daniel Tsai.

Daniel Tsai
Deputy Administrator and Director

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Enclosure

cc: Terri Fraser, State Monitoring Lead, Managed Care Group

Attachment U

Time-limited Expenditure Authority and Associated Requirements for the COVID-19 Public Health Emergency (PHE) Demonstration Amendment

Expenditure Authority

Under the authority of section 1115(a)(2) of the Social Security Act (the Act), expenditures made by the state for the items identified below, which are not otherwise included as expenditures under section 1903 of the Act shall, for the period retroactively from March 1, 2020 and ending when all redeterminations for Medicaid and CHIP are conducted during the unwinding period.

1. **Continuous Coverage for Individuals Determined Ineligible for CHIP Due to a Change in Circumstances.** Expenditures to provide continued eligibility for CHIP enrollees who were determined to be ineligible for CHIP due to a change in circumstances and who are otherwise ineligible for Medicaid due to income above 147 percent of the federal poverty level (FPL) between March 1, 2020 and ending when all redeterminations for Medicaid and CHIP beneficiaries are conducted during the unwinding period, with the following exceptions for enrollees who:
 - a. Are deceased;
 - b. Voluntarily withdraw from benefits; or
 - c. Are no longer New Jersey residents.

Monitoring and Evaluation Requirements

1. **Evaluation Design.** The state must submit an Evaluation Design to CMS within 60 days of the demonstration amendment approval. CMS will provide technical assistance on developing the Evaluation Design. For this demonstration amendment, the state will test whether and how the approved authority facilitated the state's response to the COVID-19 PHE and helped promote the objectives of Medicaid. To that end, the evaluation will address thoughtful evaluation questions that support understanding the successes and challenges in implementing the expenditure authority. The state is required to post its Evaluation Design to the state's website within 30 days of CMS approval of the Evaluation Design, per 42 CFR 431.424(e).
2. **Final Report.** The state is required to submit a Final Report, which will consolidate monitoring and evaluation reporting requirements for these authorities. The state must submit the draft Final Report no later than one year after the expiration of the demonstration approval period. The Final Report should include a background description of the scope and objectives of the amendment, and in alignment with proposed evaluation questions and approaches in the approved Evaluation Design, an assessment of the implementation of the demonstration amendment, lessons learned thereof, and best practices for similar situations. The state will be required to track expenditures associated with this amendment, including but not limited to, administrative costs and program expenditures. The Final Report shall include an assessment of the linkage between those expenditures and the state's response to the PHE. The state should

customize the content of the Final Report to align with the specific scope of the demonstration amendment. CMS will provide additional technical assistance on the structure and content of the Final Report.

CENTERS FOR MEDICARE & MEDICAID SERVICES

WAIVER AUTHORITY

NUMBER: 11-W-00279/2 and 21-W-00068/2
TITLE: New Jersey FamilyCare Comprehensive Demonstration
AWARDEE: New Jersey Department of Human Services, Division of Medical Assistance and Health Services

All requirements of the Medicaid program expressed in law, regulation, and policy statement, not expressly waived in this list, shall apply to the demonstration project beginning April 1, 2023 through June 30, 2028, unless otherwise specified. In addition, these waivers may only be implemented consistent with the approved Special Terms and Conditions (STCs).

All previously approved waivers for this demonstration are superseded by those set forth below with respect to the state’s operation of the demonstration during the period from April 1, 2023 through June 30, 2028.

Under the authority of Section 1115(a)(1) of the Social Security Act (the Act), the following waivers of state plan requirements contained in Section 1902 of the Act are granted in order to enable New Jersey (state) to carry out the New Jersey FamilyCare Comprehensive Section 1115 demonstration.

Statewide Operation

Section 1902(a)(1)

To the extent necessary to enable the state to provide managed care plans or different types of managed care plans, only in certain geographic service areas.

To enable the state to provide health-related social needs (HRSN) services on a geographically limited, county-by-county, basis.

To enable the state to provide services under the Integrated Care for Kids (InCK) model only in designated intervention counties. Payments to states made under this paragraph shall be considered to have been under, and are subject to the requirements, of Section 1903 of the Act (42 U.S.C. 1396b).

To the extent necessary, to enable the state to provide services through specified Certified Community Behavioral Health Clinics (CCBHC) in designated areas of the state. This waiver authority starts from the effective date of New Jersey’s CCBHC State Plan Amendment (SPA), once the necessary SPA is approved.

To the extent necessary, to enable the state to provide services under the Universal Home Visiting Pilot in designated areas of the state. This waiver authority starts from the effective date of New Jersey’s Universal Home Visiting SPA, once the necessary SPA is approved.

Amount, Duration, & Scope

Section 1902(a)(10)(B)

To the extent necessary to enable the state to vary the amount, duration, and scope of services offered to individuals under this demonstration, regardless of eligibility category, by providing additional services to enrollees in certain targeted programs to provide home and community-based services (HCBS) and/or managed long-term services and supports.

Transfer of Assets

Section 1902(a)(18) insofar incorporates Section 1917(c)

To the extent necessary to enable the state to allow individuals, who have incomes at or below 100 percent of the FPL, to self-attest at the time of application that no transfers were made during the look back period.

Freedom of Choice

Section 1902(a)(23)(A)

To enable the state to restrict freedom of choice of provider through the use of mandatory enrollment in managed care plans for the receipt of covered services. No waiver of freedom of choice is authorized for family planning providers.

To permit the state to restrict providers from whom Medicaid eligible beneficiaries may obtain supportive visitation services. This waiver authority starts from the effective date of New Jersey's Supportive Visitation Services SPA.

To permit the state to restrict providers from whom Medicaid eligible beneficiaries may obtain universal home visitation services. This waiver authority starts from the effective date of New Jersey's Universal Home Visitation Services SPA.

Direct Provider Reimbursement

Section 1902(a)(32)

To permit the state to have individuals self-direct expenditures for HCBS long-term care and supports.

CENTERS FOR MEDICARE & MEDICAID SERVICES

EXPENDITURE AUTHORITY

NUMBER: 11-W-00279/2 and 21-W-00068/2
TITLE: New Jersey FamilyCare Comprehensive Demonstration
AWARDEE: New Jersey Department of Human Services, Division of Medical Assistance and Health Services

Under the authority of Section 1115(a)(2) of the Social Security Act (the Act), expenditures made by New Jersey for the items identified below, which are not otherwise included as expenditures under Section 1903 or Section 2107(e)(2)(A) of the Act, incurred during the period of this demonstration, for the period of this demonstration extension (April 1, 2023 through June 30, 2028) unless otherwise specified, shall be regarded as expenditures the state's title XIX and XXI plans. All previously approved expenditure authorities for this demonstration are superseded by those set forth below for the state's expenditures relating to dates of service during this demonstration extension (April 1, 2023 through June 30, 2028) unless otherwise specified.

The following expenditure authorities may only be implemented consistent with the approved Special Terms and Conditions (STCs) and shall enable New Jersey to operate the New Jersey FamilyCare Comprehensive 1115 demonstration.

Title XIX – Expenditure Authorities

1. **Targeted HCBS Demonstration Expenditures.** The following expenditures are for the provision of targeted home and community-based services (HCBS) (as specified in the STCs) that are not described in Section 1905(a) of the Act, and not otherwise available under the approved state plan, but that could be provided under the authority of a Section 1915(c) waiver, that are delivered to demonstration participants, Fee for Service (FFS) with qualifying income and resources, and meet an institutional level of care.
 - a. **Supports Program.** Expenditures for health-care related costs for individuals who are over the age of 21, or between the age of 18 to 21 and have graduated from, or are no longer eligible for, the services they are entitled to through their local educational authority (educational entitlement), who meet the functional eligibility criteria for the Supports Program as prescribed in the STCs, and are Medicaid eligible or have income up to 300 percent of the Federal Benefit Rate (FBR).
 - b. **Children's Support Services Program (SED).** Expenditures for health-care related costs to provide behavioral health and/or home and community-based services and supports to youth ages 0-21, using institutional deeming rules where appropriate, that have a serious emotional disturbance (SED) which places them at risk of hospitalization, out of home treatment, or at hospital level of care.
 - a. Individuals who are Medicaid eligible or Children's Health Insurance Program

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- (CHIP) eligible receive targeted HCBS services authorized under the demonstration;
- b. Individuals who are not otherwise eligible for Medicaid State Plan due to family income, with income up to 300 percent of the FBR (including treatment as a “Household of One”) receive state plan services and targeted HCBS services authorized under the demonstration;
 - c. Individuals who do not qualify for Medicaid or CHIP under the state plan, and whose household income is above 300 percent of the FBR receive targeted HCBS services authorized under the demonstration and otherwise State Plan covered behavioral health services only.
- c. **Children’s Support Services Program (I/DD).** Expenditures for health-care related costs for home and community based services for youth with intellectual/developmental disabilities (I/DD) or a co-occurring mental health diagnosis (I/DD-MI), ages 0-21, who meet the functional eligibility criteria, using institutional deeming rules where appropriate, as prescribed in the STCs.
- a. Individuals who are Medicaid or CHIP eligible receive targeted HCBS services authorized under the demonstration;
 - b. Individuals who are not otherwise eligible for Medicaid state plan benefits due to family income, with income up to 300 percent of the FBR receive state plan services and targeted HCBS services authorized under the demonstration;
 - c. Individuals who do not qualify for Medicaid or CHIP under the state plan, and whose household income is above 300 percent of the FBR, members receive targeted HCBS services authorized under the demonstration and state plan for behavioral health services only.
- d. **Community Care Program (CCP).** Expenditures for health-care related costs for services and supports under the CCP as described in the STCs for Medicaid eligible individuals who are over the age of 21, or between the ages of 18 to 21 and have graduated from, or are no longer eligible for, the services they are entitled to through their local educational authority (educational entitlement), or meet the requirements described in STC 5.11, with developmental disabilities who meet the Intermediate Care Facility for Individuals with Intellectual Disabilities (ICF/ID) level of care criteria and specific Medicaid requirements regarding income and resources.
- e. **Autism Spectrum Disorder Program.** Expenditures for specialized services that are not otherwise covered under the Medicaid state plan for children who are Medicaid eligible and have been diagnosed with Autism Spectrum Disorder (ASD).
- f. **New Jersey Home Visiting Program.** Expenditures to deliver evidence-based home visiting services in identified areas throughout the state as set forth in STC 5.13.

2. MLTSS Demonstration Expenditures

- a. **Managed Long Term Services and Supports (MLTSS) Program.** Expenditures for health-care related costs for HCBS services provided to the elderly and disabled through a managed care delivery system, as authorized under this demonstration, (as specified in

Attachment D of the STCs) that are not described in Section 1905(a) of the Act, and not otherwise available under the approved state plan and that are provided to demonstration participants with qualifying income and resources, and meet an institutional level of care.

- b. **Caregiver Support Services.** Expenditures to expand access to health services for informal or unpaid caregivers to receive group or individual counseling services when experiencing emotional or psychological difficulties while caring for individuals receiving MLTSS, as described in STC 5.19.

3. **Income Eligibility Specific Expenditures**

- a. **217-Like Expansion Populations.** Expenditures for the provision of Medicaid state plan services, targeted HCBS services and MLTSS service, authorized under this demonstration, for individuals identified in the STCs who would otherwise be Medicaid-eligible under Section 1902(a)(10)(A)(ii)(VI) of the Act and 42 CFR § 435.217 in conjunction with Section 1902(a)(10)(A)(ii)(V) of the Act, including applying the Spousal Impoverishment Eligibility and Post Eligibility Rules specified at Section 1924 of the Act to all married individuals, the regular post eligibility rules specified at 42 CFR 435.725 and 435.726 of the federal regulations for unmarried individuals, and the requirements of being a Miller Trust state specified at Section 1917 of the Act, if they received such services under a HCBS waiver granted to the state under Section 1915(c) of the Act.

4. **SUD Services in Institutions for Mental Diseases (SUD IMD Services MEGs 1, 2, and 3).**

Expenditures for Medicaid state plan services and benefits to the extent not available under the Medicaid state plan, furnished to otherwise eligible individuals who are primarily receiving treatment and/or withdrawal management services for substance use disorder (SUD) who are short-term residents in facilities that meet the definition of an institution for mental diseases (IMD).

5. **Expedited Eligibility Determination for Individuals under the Guardianship of the Office of the Public Guardian (OPG).**

Expenditures for health-care related costs up to 12 months for individuals under the guardianship of the OPG during the expedited eligibility determination period as set forth in STC 5.14 and Attachment H.

6. **Postpartum Extension**

- a. **Expenditures for Benefits for Postpartum Individuals.** Expenditures for Medicaid state plan benefits to extend the postpartum eligibility period from the end of the month in which the 60th postpartum day occurs to the end of the 12th month following the end of the pregnancy, as described in STC 5.15.

- a. This expenditure authority starts on April 1, 2022 for Medicaid “lawfully residing” pregnant individuals covered by the state under Section 1903(v)(4)(A)(i) of the Act.

- b. **Expenditures for Continuous Eligibility for State Plan Benefits For the Full Pregnancy and 12-Month Postpartum Period:** Expenditures for pregnant and postpartum individuals to be continuously eligible without regard to changes in circumstances through the end of the 12-month extended postpartum eligibility period as set forth in STC 5.15.

- a. This expenditure authority starts on April 1, 2022 for Medicaid “lawfully residing” pregnant individuals covered by the state under Section 1903(v)(4)(A)(i) of the Act.
- 7. **Twelve-Month Continuous Eligibility Period.** Expenditures for continued benefits for individuals who have been determined eligible under groups specified in STC 5.16.a for a 12-month continuous eligibility period who would otherwise lose coverage if subject to an eligibility redetermination, except as noted in STC 5.16.c.
- 8. **Health-Related Social Needs (HRSN) Services.** Expenditures for health-related social needs services not otherwise covered that are furnished to individuals who meet the qualifying criteria as described in Section 10 of the STCs. This expenditure authority is contingent upon adherence to the requirements within Section 11 of these STCs, as well as all other applicable STCs.
- 9. **Expenditures for HRSN Services Infrastructure.** Expenditures for payments for allowable administrative costs and infrastructure not otherwise eligible for Medicaid payment, to the extent such activities are authorized under Section 10 of the STCs. This expenditure authority is contingent upon adherence to the requirements within Section 11 of the STCs, as well as all other applicable STCs.
- 10. **Behavioral Health Promoting Interoperability Program (BH PIP).** Expenditures for the state’s BH PIP incentive program that will strengthen Medicaid providers’ ability to participate in the state’s health information exchange (HIE), in accordance with the requirements in STC 5.17.
- 11. **Community Health Workers Pilot.** Expenditures for the state’s community health workers program pilot to provide evidence-based services within defined communities, in accordance with the requirements in STC 5.18.

Title XIX Requirements Not Applicable to the Supports Program, Children Support Services Program and I/DD:

Reasonable Promptness Section 1902(a)(8)

To the extent necessary to enable the state to limit enrollment through waiting lists for the following demonstration programs: Community Care Program, Children Support Services Program and I/DD to receive targeted HCBS services outlined in the STCs.

Title XIX Requirements Not Applicable to the Supports Program:

Income and Asset Standards Section 1902(a)(17)

To enable the state to disregard Title II benefits received based on parents’ income for an individual who was not receiving Supplemental Security Income (SSI) as of their 18th birthday. Therefore, these individuals can qualify for the Supports Program.

Title XIX Requirements Not Applicable to the Evidence-Based Home Visiting Pilot Program

Statewideness Section 1902(a)(1)

To enable the state to operate the New Jersey Home Visiting Pilot Programs only in certain counties in the state as specified in STC 5.13 and Attachment L.

Title XIX Requirements Not Applicable to the HRSN Expenditure Authority

Statewideness

Section 1902(a)(1)

To the extent necessary to enable New Jersey to provide HRSN services or certain types of HRSN services, only in certain geographical areas of the state.

Comparability: Amount, Duration, and Scope

**Section 1902(a)(10)(B),
Section 1902(a)(17)**

To the extent necessary to enable the state to provide medically indicated meals to a subset of up to 300 beneficiaries per demonstration year for a varying amount, duration, and scope of HRSN services depending on beneficiary needs.

Comparability and Provision of Medical Assistance & Reasonable Promptness

**Sections 1902(a)(10)(B),
1902(a)(17), 1902(a)(8)**

To the extent necessary to allow the state to offer HRSN services only to an individual who meets the qualifying criteria for HRSN services, including delivery system enrollment, as described in Section 10 of the STCs.

To the extent necessary to allow the state to delay the application review process for HRSN services in the event the state does not have sufficient funding to support providing these services to eligible beneficiaries.

Title XXI EXPENDITURE AUTHORITY

1. **Expenditures for Benefits for Postpartum Individuals.** Expenditures for CHIP state plan benefits to extend the postpartum eligibility period from the end of the month in which the 60th postpartum day occurs to the end of the 12th month following the end of the pregnancy, as described in STC 5.15.
 - a. This expenditure authority starts on April 1, 2022 for CHIP “lawfully residing” pregnant individuals covered by the state under Section 2107(e)(1)(O) of the Act.
2. **Expenditures for Continuous Eligibility for State Plan Benefits for the Full Pregnancy and 12-Month Postpartum Period:** Expenditures for pregnant and postpartum individuals to be continuously eligible without regard to changes in circumstances through the end of the 12-month extended postpartum eligibility period as set forth in STC 5.15.
 - a. This expenditure authority starts on April 1, 2022 for CHIP “lawfully residing” pregnant

individuals covered by the state under Section 2107(e)(1)(O) of the Act.

CENTERS FOR MEDICARE & MEDICAID SERVICES

SPECIAL TERMS AND CONDITIONS

NUMBER: 11-W-00279/2 and 21-W-00068/2
TITLE: New Jersey FamilyCare Comprehensive Demonstration
AWARDEE: New Jersey Department Human Services
Division of Medical Assistance and Health Service

1. PREFACE

The following are the Special Terms and Conditions (STCs) for the “New Jersey FamilyCare Comprehensive Demonstration” Section 1115(a) Medicaid and Children’s Health Insurance Plan (CHIP) demonstration (hereinafter “demonstration”), to enable the New Jersey Department of Human Services, Division of Medical Assistance and Health Services (the state) to operate this demonstration. The Centers for Medicare & Medicaid Services (CMS) has granted waivers of requirements under Section 1902(a) and 2102(b)(2) of the Social Security Act (Act), and expenditure authorities authorizing federal matching of demonstration costs not otherwise matchable, which are separately enumerated. These STCs set forth conditions and limitations on those waivers and expenditure authorities, and describe in detail the nature, character, and extent of federal involvement in the demonstration and the state’s obligations to CMS related to the demonstration. These STCs neither grant additional waivers or expenditure authorities, nor expand upon those separately granted.

These STCs are effective as of April 1, 2023 through June 30, 2028, unless otherwise specified. All previously approved STCs are superseded by the STCs set forth below for the state expenditures related to the dates of service during this demonstration extension.

The STCs have been arranged into the following subject areas:

1. Preface
2. Program Description and Objectives
3. General Program Requirements
4. Eligibility and Enrollment
5. Demonstration Programs and Benefits
6. Opioid Use Disorder/Substance Use Disorder Program
7. Cost Sharing
8. Title XXI Premium Support Program
9. Delivery System
10. Health-Related Social Needs Services
11. Provider Payment Rate Increase Requirement
12. Monitoring and Reporting Requirements
13. Evaluation of the Demonstration
14. General Financial Requirements Under Title XIX
15. Monitoring Budget Neutrality for the Demonstration
16. Financial and Allotment Neutrality Monitoring Requirements under Title XXI

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17. Schedule of Deliverables During the Demonstration

Additional attachments have been included to provide supplementary information and guidance for specific STCs.

Attachment A:	Developing the Evaluation Design
Attachment B:	Preparing the Interim and Summative Evaluation Reports
Attachment C:	HCBS-FFS Program Service Definitions
Attachment D:	MLTSS Program Service Definitions
Attachment E:	SUD Implementation Plan (Approved)
Attachment F:	Protocol for HRSN Infrastructure and HRSN Services (Reserved)
Attachment G:	New Initiatives Implementation Plan (Reserved)
Attachment H:	OPG Financial Eligibility Implementation Plan
Attachment I:	SUD Monitoring Protocol (Reserved)
Attachment J:	Monitoring Protocol for Other Policies (Reserved)
Attachment K:	Evaluation Design (Reserved)
Attachment L:	New Jersey Home Visiting Services Protocol
Attachment M:	COVID-19 Emergency Preparedness and Response Addendum 1
Attachment N:	COVID-19 Emergency Preparedness and Response Addendum 2
Attachment O:	Proxy Claiming Methodology (Reserved)
Attachment P:	Behavioral Health Promoting Interoperability Program (PIP) Protocol (Reserved)
Attachment Q:	Community Health Workers Pilot Protocol (Reserved)
Attachment R:	Provider Rate Increase Attestation Table (Reserved)
Attachment S:	Participant Direction by Representative Guardrails (Reserved)
Attachment T:	Continuous Eligibility Calculation Methodology Protocol (Reserved)
Attachment U:	Time-limited Expenditure Authority and Associated Requirements for the COVID-19 Public Health Emergency (PHE) Demonstration Amendment

2. PROGRAM DESCRIPTION AND OBJECTIVES

The New Jersey Section 1115 Demonstration began with the first demonstration entitled “New Jersey Comprehensive Waiver Demonstration” approved on October 1, 2012 to operate a statewide health reform effort to expand existing managed care programs to include managed long-term services and supports and expand home and community-based services. In addition, the new demonstration consolidated the delivery of services under a number of separate state initiatives, including four previous 1915(c) waiver programs and two standalone section 1115 demonstrations.

On July 27, 2017, the state was awarded an extension of its demonstration renaming the demonstration to “New Jersey FamilyCare Comprehensive Demonstration”. Under this demonstration extension, the state was approved to continue the expansion of managed care to long-term services and supports and behavioral health services, targeted home and community-based services program for children and in-home community supports for individuals with intellectual and developmental disabilities. The state was also provided an extension on its Delivery System Reform Incentive Payment (DSRIP) Program to continue healthcare delivery reforms through June 30, 2020. In addition, the state implemented new targeted initiatives to

provide behavioral health and substance use disorder services, and to expand the scope and duration of support services for individuals with intellectual and developmental disabilities.

During the demonstration period of demonstration years 6 through 10, CMS approved two amendments into this demonstration. The first amendment approved December 21, 2018 incorporated a new process to expedite financial eligibility determinations for Medicaid coverage and who are placed under the guardianship of the Office of the Public Guardian (OPG), and provided expenditure authority for the New Jersey Home Visiting (NJHV) pilot program. The second CMS approved amendment from October 28, 2021 extended full benefits to postpartum individuals enrolled in Medicaid or CHIP for up to 12 months from the last day of an individual's pregnancy.

Demonstration Objectives

In this demonstration extension approved for State Fiscal Year (SFY) 2023-2028, the state seeks to achieve the following objectives, including but not limited to:

- Effectively addressing or reducing the severity of unmet health-related social needs which improve the health of these individuals by removing non-clinical barriers to their well being, reducing utilization of and costs from potentially avoidable high-acuity health care (e.g., emergency department use and institutional care), and improving physical and mental health;
- Maintaining its MLTSS program;
- Achieving better care coordination, and the promotion of integrated behavioral and physical health for a more patient centered care experience and to offer aligned financial incentives and value-based payments;
- Simplifying and streamlining the administration and oversight of services in order to better monitor the overall health of the Medicaid population; as well as act as the first step to remove silos of care for I/DD youth transitioning from the children's system into the adult system;
- Providing access to services earlier in life in order to prevent avoidable out-of-home placements, decrease interaction with the juvenile justice system, and generate savings in the adult behavioral health and I/DD systems;
- Building on current processes to further streamline continuous eligibility and enrollment for NJFC beneficiaries;
- Reducing hospitalizations and costs associated with disease and injury;
- Establishing an integrated behavioral health delivery system that includes a flexible and comprehensive substance use disorder (SUD) benefit and the state's continuum of care, including for the BH PIP group;
- Expediting financial eligibility for Medicaid in a timely manner for individuals placed under the OPG in order to receive needed Medicaid coverage;
- Expanding the available options for youth with an ASD diagnosis by offering a limited package of adjunct services to individuals up to age 21;
- Providing evidence-based home visiting services to low-income families to promote enhanced health outcomes, whole person care, and community-integration;
- Addressing the dietary needs of pregnant individuals with a diagnosis of either pre-existing diabetes and/or gestational diabetes; and

- Providing full benefits to post-partum individuals enrolled in Medicaid or CHIP for up to 12 months from the last day of an individual’s pregnancy, rather than required 60 days.

3. GENERAL PROGRAM REQUIREMENTS

- 3.1. **Compliance with Federal Non-Discrimination Statutes.** The state must comply with all applicable federal statutes relating to non-discrimination. These include, but are not limited to, the Americans with Disabilities Act of 1990 (ADA), Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973 (Section 504), the Age Discrimination Act of 1975, and Section 1557 of the Patient Protection and Affordable Care Act (Section 1557).
- 3.2. **Compliance with Medicaid and Children’s Health Insurance Program (CHIP) Law, Regulation, and Policy.** All requirements of the Medicaid and CHIP programs, expressed in federal law, regulation, and policy statement, that are not expressly waived or identified as not applicable in the waiver and expenditure authority documents (of which these terms and conditions are part), apply to the demonstration.
- 3.3. **Changes in Medicaid and CHIP Law, Regulation, and Policy.** The state must, within the timeframes specified in federal law, regulation, or policy statement, come into compliance with changes in federal law, regulation, or policy affecting the Medicaid or CHIP programs that occur during this demonstration approval period, unless the provision being changed is expressly waived or identified as not applicable. In addition, CMS reserves the right to amend the STCs to reflect such changes and/or changes as needed without requiring the state to submit an amendment to the demonstration under STC 3.7. CMS will notify the state 30 business days in advance of the expected approval date of the amended STCs to allow the state to provide comment. Changes will be considered in force upon issuance of the approval letter by CMS. The state must accept the changes in writing.
- 3.4. **Impact on Demonstration of Changes in Federal Law, Regulation, and Policy.**
 - a. To the extent that a change in federal law, regulation, or policy requires either a reduction or an increase in federal financial participation (FFP) for expenditures made under this demonstration, the state must adopt, subject to CMS approval, a modified budget neutrality agreement for the demonstration as necessary to comply with such change. The modified budget neutrality and/or modified allotment neutrality agreement will be effective upon the implementation of the change. The trend rates for the budget neutrality agreement are not subject to change under this subparagraph. Further, the state may seek an amendment to the demonstration (as per STC 3.7 of this section) as a result of the change in FFP.
 - b. If mandated changes in the federal law, regulation, or policy require state legislation, unless otherwise prescribed by the terms of the federal law, the changes must take effect on the earlier of the day such state legislation becomes effective, or on the last day such legislation was required to be in effect under the law, whichever is sooner.

- 3.5. **State Plan Amendments.** The state will not be required to submit title XIX or XXI state plan amendments (SPAs) for changes affecting any populations made eligible solely through the demonstration. If a population eligible through the Medicaid or CHIP state plan is affected by a change to the demonstration, a conforming amendment to the appropriate state plan is required, except as otherwise noted in these STCs. In all such cases, the Medicaid and CHIP state plan governs.
- 3.6. **Changes Subject to the Amendment Process.** Changes related to eligibility, enrollment, benefits, beneficiary rights, delivery systems, cost sharing, evaluation design, sources of non-federal share of funding, budget neutrality, and other comparable program elements authorized through these STCs must be submitted to CMS as amendments to the demonstration. All amendment requests are subject to approval at the discretion of the Secretary in accordance with Section 1115 of the Act. The state must not implement changes or begin optional changes to these demonstration elements without prior approval. Amendments to the demonstration are not retroactive and no FFP of any kind, including for administrative or medical assistance expenditures, will be available for amendments to the demonstration that have not been approved through the amendment process set forth in STC 3.7 below, except as provided in STC 3.3 or as otherwise specified in the STCs.
- 3.7. **Amendment Process.** Requests to amend the demonstration must be submitted to CMS for approval no later than 120 calendar days prior to the planned date of implementation of the change and may not be implemented until approved. CMS reserves the right to deny or delay approval of a demonstration amendment based on non-compliance with these STCs, including, but not limited to the failure by the state to submit required elements of a complete amendment request as described in this STC, and failure by the state to submit required reports and other deliverables according to the deadlines specified therein. Amendment requests must include, but are not limited to, the following:
- a. An explanation of the public process used by the state, consistent with the requirements of STC 3.13. Such explanation must include a summary of any public feedback received and identification of how this feedback was addressed by the state in the final amendment request submitted to CMS.
 - b. A detailed description of the amendment, including impact on beneficiaries, with sufficient supporting documentation;
 - c. A data analysis which identifies the specific “with waiver” impact of the proposed amendment on the current budget neutrality agreement. Such analysis must include current total computable “with waiver” and “without waiver” status on both a summary and detailed level through the current approval period using the most recent actual expenditures, as well as summary and detailed projections of the change in the “with waiver” expenditure total as a result of the proposed amendment, which isolates (by Eligibility Group) the impact of the amendment;
 - d. An up-to-date CHIP allotment worksheet, if necessary.

- e. The state must provide updates to existing demonstration reporting and quality and evaluation plans. This includes a description of how the Evaluation Design and annual progress reports will be modified to incorporate the amendment provisions, as well as the oversight, monitoring and measurement of the provisions.

3.8. **Extension of the Demonstration.** States that intend to request an extension of the demonstration must submit an application to CMS from the Governor of the state in accordance with the requirements of 42 CFR §431.412(c). States that do not intend to request an extension of the demonstration beyond the period authorized in these STCs must submit a phase-out plan consistent with the requirements of STC 3.9.

3.9. **Demonstration Phase-Out.** The state may only suspend or terminate this demonstration in whole, or in part, consistent with the following requirements.

- a. **Notification of Suspension or Termination.** The state must promptly notify CMS in writing of the reason(s) for the suspension or termination, together with the effective date and a transition and phase-out plan. The state must submit its notification letter and a draft transition and phase-out plan to CMS no less than six months before the effective date of the demonstration's suspension or termination. Prior to submitting the draft transition and phase-out plan to CMS, the state must publish on its website the draft transition and phase-out plan for a 30-day public comment period. In addition, the state must conduct tribal consultation in accordance with STC 3.13, if applicable. Once the 30-day public comment period has ended, the state must provide a summary of the issues raised by the public during the comment period and how the state considered comments received when developing the revised transition and phase-out plan.
- b. **Transition and Phase-out Plan Requirements.** The state must include, at a minimum, in its transition and phase-out plan the process by which it will notify affected beneficiaries, the content of said notices (including information on the beneficiary's appeal rights), the process by which the state will conduct redeterminations of Medicaid and CHIP eligibility prior to the termination of the demonstration for the affected beneficiaries, and ensure ongoing coverage for eligible individuals, as well as any community outreach activities the state will undertake to notify affective beneficiaries, including community resources that are available.
- c. **Transition and Phase-out Plan Approval.** The state must obtain CMS approval of the transition and phase-out plan prior to the implementation of transition and phase-out activities. Implementation of transition and phase-out activities must be no sooner than 14 calendar days after CMS approval of the transition and phase-out plan.
- d. **Transition and Phase-out Procedures.** The state must redetermine eligibility for all affected beneficiaries in order to determine if they qualify for Medicaid eligibility under a different eligibility category prior to making a determination of ineligibility as required under 42 CFR 35.916(f)(1), or for children in CHIP consider eligibility

for other insurance affordability programs under 42 CFR 457.350. For individuals determined ineligible for Medicaid and CHIP, the state must determine potential eligibility for other insurance affordability programs and comply with the procedures set forth in 42 CFR 435.1200(e). The state must comply with all applicable notice requirements for Medicaid found in 42 CFR, part 431 subpart E, including Sections 431.206 through 431.214 or for CHIP found at 42 CFR 457.340(e), including information about a right to review consistent with 42 CFR 457.1180. In addition, the state must assure all applicable Medicaid appeal and hearing rights are afforded to Medicaid beneficiaries in the demonstration as outlined in 42 CFR, part 431 subpart E, including Sections 431.220 and 431.221. If a beneficiary in the demonstration requests a hearing before the date of action, the state must maintain Medicaid benefits as required in 42 CFR §431.230.

- e. **Exemption from Public Notice Procedures 42 CFR Section 431.416(g).** CMS may expedite the federal and state public notice requirements under circumstances described in 42 CFR 431.416(g).
- f. **Enrollment Limitation during Demonstration Phase-Out.** If the state elects to suspend, terminate, or not extend this demonstration, during the last six months of the demonstration, enrollment of new individuals into the demonstration must be suspended. The limitation of enrollment into the demonstration does not impact the state's obligation to determine Medicaid eligibility in accordance with the approved Medicaid state plan.
- g. **Federal Financial Participation (FFP).** If the project is terminated or any relevant waivers suspended by the state, FFP must be limited to normal closeout costs associated with terminating the demonstration or expiration of the demonstration including services, continued benefits as a result of beneficiaries' appeals, and administrative costs of disenrolling participants.

3.10. **CMS Right to Terminate or Suspend.** CMS may suspend or terminate the demonstration, in whole or in part, at any time before the date of expiration, whenever it determines following a hearing that the state has materially failed to comply with the terms of the project. CMS will promptly notify the state in writing of the determination and the reasons for the suspension or termination, together with the effective date.

3.11. **Withdrawal of Waiver or Expenditure Authority.** CMS reserves the right to withdraw waivers and/or expenditure authorities at any time it determines that continuing the waiver or expenditure authorities would no longer be in the public interest or promote the objectives of title XIX or title XXI. CMS will promptly notify the state in writing of the determination and the reasons for the withdrawal, together with the effective date, and afford the state an opportunity to request a hearing to challenge CMS' determination prior to the effective date. If a waiver or expenditure authority is withdrawn, FFP is limited to normal closeout costs associated with terminating the waiver or expenditure authority, including services, continued benefits as a result of beneficiary appeals, and administrative costs of disenrolling participants.

- 3.12. **Adequacy of Infrastructure.** The state will ensure the availability of adequate resources for implementation and monitoring of the demonstration, including education, outreach, and enrollment; maintaining eligibility systems; compliance with cost sharing requirements; and reporting on financial and other demonstration components.
- 3.13. **Public Notice, Tribal Consultation, and Consultation with Interested Parties.** The state must comply with the state notice procedures set forth in 42 CFR 431.408 prior to submitting an application to extend the demonstration. For applications to amend the demonstration, the state must comply with the state notice procedures set forth in 59 Fed. Reg. 49249 (September 27, 1994) prior to submitting such request. The state must also comply with the Public Notice Procedures set forth in 42 CFR 447.205 for change in statewide methods and standards for setting payment rates.

In states with federally recognized Indian tribes, consultation must be conducted in accordance with the consultation process outlined in the July 17, 2001 letter or the consultation process in the state's approved Medicaid state plan if that process is specifically applicable to consulting with tribal governments on waivers in accordance with 42 C.F.R. §431.408(b)(2).

- 3.14. **Federal Financial Participation (FFP).** No federal matching funds for expenditures for this demonstration, including for administrative and medical assistance expenditures, will be available until the effective date identified in the demonstration approval letter, or later, as expressly stated within these STCs.
- 3.15. **Administrative Authority.** When there are multiple entities involved in the administration of the demonstration, the Single State Medicaid Agency (SSMA) must maintain authority, accountability, and oversight of the program. The State Medicaid Agency (SMA) must exercise oversight of all delegated functions to operating agencies, managed care plans, and any other contracted entities. The SSMA is responsible for the content and oversight of the quality strategies for the demonstration.
- 3.16. **Common Rule Exemption.** The state shall ensure that the only involvement of human subjects in research activities that may be authorized and/or required by this demonstration is for projects which are conducted by or subject to the approval of CMS, and that are designed to study, evaluate, or otherwise examine the Medicaid or CHIP program – including public benefit or service programs; procedures for obtaining Medicaid or CHIP benefits or services; possible changes in or alternatives to those Medicaid or CHIP programs and/or procedures; or possible changes in methods or level of payment for Medicaid and CHIP benefits or services under those programs. CMS has determined that this demonstration as represented in these approved STCs meets the requirements for exemption from the human subject research provisions of the Common Rule set forth in 45 CFR 46.104(b)(5).

4. ELIGIBILITY AND ENROLLMENT

- 4.1. **Eligible Populations.** This demonstration affects mandatory and optional Medicaid state plan populations as well as populations eligible for benefits only through the

demonstration. Table A, at the end of Section 4 of the STCs, shows each specific group of individuals; the program name, population descriptions and statutory/regulatory citations, income standards/methodologies, service package received under the demonstration; and expenditure group under which expenditures are reported to CMS.

Individuals eligible for both Medicare and Medicaid (duals) are covered under this demonstration for Medicaid services.

In addition, populations eligible under the state plan, as identified in Table A below, may be affected by the demonstration, including through requirements to enroll in the Medicaid managed care program under the demonstration to receive state plan benefits.

- 4.2. **State Plan Eligibility Groups Affected By the Demonstration.** Benefits and service delivery options for the mandatory and optional state plan groups described in Table A below are affected by the demonstration. To the extent indicated in STC 5.6, these groups receive covered benefits through managed care organizations (MCOs).
- 4.3. **Expansion Groups.** Non-Medicaid eligible groups described in Table A below are eligible under the demonstration, to the extent included in expenditure authorities separately granted to facilitate this demonstration. To the extent indicated in STC 5.6, these groups receive covered benefits through MCOs.
- 4.4. **Eligibility/Post-Eligibility Treatment of Income and Resources for Institutionalized Individuals.** In determining eligibility (except for short-term stays) for institutionalized individuals, the state must use the rules specified in the currently approved Medicaid state plan. Individuals with monthly income above the Medicaid Only institutional income limit (\$2,742 in 2023) must establish a Qualified Income Trust (QIT) if they meet an institutional level of care and are trying to obtain Medicaid eligibility for MLTSS, Community Care Program (CCP), the Supports program and the Supports plus PDN program, if operationalized.
- 4.5. **Individuals Receiving Home and Community Based Services or Managed Long-Term Services and Supports.**
 - a. **217-Like Group of Individuals Receiving HCBS Services (MLTSS).** Institutional eligibility and post eligibility rules apply in the same manner as specified under 42 CFR 435.217, 435.236, 435.726 and 1902(m)(1), and 1924 of the Act, if the state had 1915(c) waivers.
 - b. The state will use the portion of the capitated payment rate that is attributable to HCBS/MLTSS as the “dollar” amount of HCBS/MLTSS services that the individual is liable for since the capitated portion of the rate that is attributable HCBS/MLTSS is the actual amount the state pays to the managed care organization/entity for these services.
 - c. **217-Like Groups of Individuals Receiving HCBS Like Services Under Targeted HCBS Programs.** Institutional eligibility and post eligibility rules apply in the same

manner as specified under 42 CFR 435.217, 435.236, 435.726 and 1924 of the Act, if the state had 1915(c) waivers. The state uses the SSI resource standard.

- 4.6. **Transfer of Assets.** At the time of application or redetermination for long term care and home and community-based services, based on self-attestation, New Jersey will not review assets pursuant to Section 1917(c) of the Act for applicants or beneficiaries seeking MLTSS with income at or below 100 percent of the Federal Poverty Level (FPL). Individuals are required to complete a self-attestation form at the time of the application or redetermination. The self-attestation form is collected by the state. The state completes a quality control check on a sample of cases as part of the demonstration evaluation. When the applicant does not complete the self-attestation form upon application for long term care and HCBS, the state must perform a full look back.
- 4.7. **Eligibility Exclusions.** Notwithstanding the criteria outlined in this Section or in Table A below, the following individuals are excluded from this demonstration:

Qualified Medicare Beneficiaries – 1902(a)(10)(E)(i); 1905(p)
Special Low Income Medicare Beneficiaries – 1902(a)(10)(E)(iii); 1905(p)
Qualifying Individuals – 1902(a)(10)(E)(iv); 1905(p)
Qualified Disabled Working Individuals – 1902(a)(10)(E)(iii); 1905(s)
Program of All-Inclusive Care of the Elderly Participants

(1) Table A State Plan and Demonstration Eligibility Groups and Description

Population Eligibility Group	Population Description	Authorities	MAGI or Non-MAGI	Service Package	Reporting MEG
Parents and Other Caretaker Relatives	Parents and other caretaker relatives of dependent children with household income at or below a standard established by the state.	42 CFR 435.110; 1902(a)(10)(A)(i)(I); 1931(b) and (d)	MAGI	Plan A	Title XIX
Transitional Medical Assistance	Families with Medicaid eligibility extended for up to 12 months because of earnings.	§408(a)(11)(A); §1902(a)(52); §1902(e)(1); §1925; §1931(c)(2)	Non-MAGI	Plan A	Title XIX
Pregnant Individuals	Individuals who are pregnant or postpartum, with household income at or below a standard established by the state.	42 CFR 435.116; §1902(a)(10)(A)(i)(III) and (IV); §1902(a)(10)(A)(ii)(I), (IV) and (IX); §1931(b) and (d)	MAGI	Plan A	Title XIX through month ending 60 day postpartum. Postpartum Extension from 60 days to 12 months postpartum.
Deemed Newborns	Children born to individuals covered under Medicaid or a separate CHIP for the date of the child's birth, who are deemed eligible	42 CFR 435.117; §1902(e)(4) and 2112(e)	MAGI	Plan A	Title XIX

Population Eligibility Group	Population Description	Authorities	MAGI or Non-MAGI	Service Package	Reporting MEG
	for Medicaid until the child turns age 1.				
Infants and Children under Age 19	Infants and children under age 19 with household income at or below standards established by the state based on age group.	42 CFR 435.118 §1902(a)(10)(A)(i)(III), (IV), (VI) and (VII); §1902(a)(10)(A)(ii)(IV) and (IX); 1931(b) and (d)	MAGI	Plan A	Title XIX
Children with Title IV-E Adoption Assistance, Foster Care or Guardianship Care	Individuals for whom an adoption assistance agreement is in effect or foster care or kinship guardianship assistance maintenance payments are made under Title IV-E of the Act.	42 CFR 435.145; §473(b)(3); §1902(a)(10)(A)(i)(I)	Non-MAGI	Plan A	Title XIX
Former Foster Care Children	Individuals under the age of 26, not otherwise mandatorily eligible, who were in foster care and on Medicaid either	42 CFR 435.150; §1902(a)(10)(A)(i)(IX)	Non-MAGI	Plan A	Title XIX

Population Eligibility Group	Population Description	Authorities	MAGI or Non-MAGI	Service Package	Reporting MEG
	when they turned age 18 or aged out of foster care.				
Expansion Adults	Non-pregnant individuals aged 19 through 64, not otherwise mandatorily eligible, with income at or below 133% FPL.	42 CFR 435.119; §1902(a)(10)(A)(i)(VIII)	MAGI	Plan ABP	New Adult Group
Individuals Receiving SSI	Individuals who are aged, blind or disabled who receive SSI.	42 CFR 435.120; §1902(a)(10)(A)(i)(II)(aa)	Non-MAGI	Plan A and HCBS services if applicable	<p>(1) If receiving community-based MLTSS, then “HCBS – State Plan.”</p> <p>(2) If residing in a NF, ICF/ID, or other institutional setting, then “LTC.”</p> <p>(3) If enrolled in the Supports Program, “Supports.”</p> <p>(4) If enrolled in the Community</p>

Population Eligibility Group	Population Description	Authorities	MAGI or Non-MAGI	Service Package	Reporting MEG
					Care Program, “Community Care Program.” (5) If none of the above, then “ABD.”
Individuals Receiving Mandatory State Supplements	Individuals receiving mandatory State Supplements to SSI benefits.	42 CFR 435.130	Non-MAGI	Plan A and HCBS services if applicable	(1) If receiving community-based MLTSS, then “HCBS – State Plan.” (2) If residing in a NF, ICF/ID, or other institutional setting, then “LTC.” (3) If enrolled in the Supports Program, “Supports.” (4) If enrolled in the Community Care Program, “Community Care Program.”

Population Eligibility Group	Population Description	Authorities	MAGI or Non-MAGI	Service Package	Reporting MEG
					(5) If none of the above, then "ABD."
Institutionalized Individuals Continuously Eligible Since 1973	Institutionalized individuals who were eligible for Medicaid in 1973 as inpatients of Title XIX medical institutions or intermediate care facilities, and who continue to meet the 1973 requirements.	42 CFR 435.132	Non-MAGI	Plan A	LTC
Blind or Disabled Individuals Eligible in 1973	Blind or disabled individuals who were eligible for Medicaid in 1973 who meet all current requirements for Medicaid except for the blindness or disability criteria.	42 CFR 435.133	Non-MAGI	Plan A and HCBS services if applicable	(1) If receiving community-based MLTSS, then "HCBS – State Plan." (2) If residing in a NF, ICF/ID, or other institutional setting, then "LTC." (3) If enrolled in the Supports

Population Eligibility Group	Population Description	Authorities	MAGI or Non-MAGI	Service Package	Reporting MEG
					<p>Program, “Supports.”</p> <p>(4) If enrolled in the Community Care Program, “Community Care Program.”</p> <p>(5) If none of the above, then “ABD.”</p>
Individuals Who Lost Eligibility for SSI/SSP Due to an Increase in OASDI Benefits in 1972	Individuals who would be eligible for SSI/SSP except for the increase in OASDI benefits in 1972, who were entitled to and receiving cash assistance in August, 1972.	42 CFR 435.134	Non-MAGI	Plan A and HCBS services if applicable	<p>(1) If receiving community-based MLTSS, then “HCBS – State Plan.”</p> <p>(2) If residing in a NF, ICF/ID, or other institutional setting, then “LTC.”</p> <p>(3) If enrolled in the Supports Program, “Supports.”</p>

Population Eligibility Group	Population Description	Authorities	MAGI or Non-MAGI	Service Package	Reporting MEG
					<p>(4) If enrolled in the Community Care Program, “Community Care Program.”</p> <p>(5) If none of the above, then “ABD.”</p>
Individuals Who Would be Eligible for SSI/SSP but for OASDI COLA increases since April, 1977	Individuals who are receiving OASDI and became ineligible for SSI/SSP after April, 1977, who would continue to be eligible if the cost of living increases in OASDI since their last month of eligibility for SSI/SSP/OASDI were deducted from income.	42 CFR 435.135	Non-MAGI	Plan A and HCBS services if applicable	<p>(1) If receiving community-based MLTSS, then “HCBS – State Plan.”</p> <p>(2) If residing in a NF, ICF/ID, or other institutional setting, then “LTC.”</p> <p>(3) If enrolled in the Supports Program, “Supports.”</p> <p>(4) If enrolled in the Community Care Program,</p>

Population Eligibility Group	Population Description	Authorities	MAGI or Non-MAGI	Service Package	Reporting MEG
					<p>“Community Care Program.”</p> <p>(5) If none of the above, then “ABD.”</p>
Disabled Widows and Widowers Ineligible for SSI due to Increase in OASDI	Disabled widows and widowers who would be eligible for SSI/SSP, except for the increase in OASDI benefits due to the elimination of the reduction factor in P.L. 98-21, who therefore are deemed to be SSI or SSP recipients.	42 CFR 435.137; §1634(b)	Non-MAGI	Plan A and HCBS services if applicable	<p>(1) If receiving community-based MLTSS, then “HCBS – State Plan.”</p> <p>(2) If residing in a NF, ICF/ID, or other institutional setting, then “LTC.”</p> <p>(3) If enrolled in the Supports Program, “Supports.”</p> <p>(4) If enrolled in the Community Care Program, “Community Care Program.”</p>

Population Eligibility Group	Population Description	Authorities	MAGI or Non-MAGI	Service Package	Reporting MEG
					(5) If none of the above, then "ABD."
Disabled Widows and Widowers Ineligible for SSI due to Early Receipt of Social Security	Disabled widows and widowers who would be eligible for SSI/SSP, except for the early receipt of OASDI benefits, who are not entitled to Medicare Part A, who therefore are deemed to be SSI recipients.	42 CFR 435.138; §1634(d)	Non-MAGI	Plan A and HCBS services if applicable	<p>(1) If receiving community-based MLTSS, then "HCBS – State Plan."</p> <p>(2) If residing in a NF, ICF/ID, or other institutional setting, then "LTC."</p> <p>(3) If enrolled in the Supports Program, "Supports."</p> <p>(4) If enrolled in the Community Care Program, "Community Care Program."</p> <p>(5) If none of the above, then "ABD."</p>

Population Eligibility Group	Population Description	Authorities	MAGI or Non-MAGI	Service Package	Reporting MEG
Working Disabled under 1619(b)	Blind or disabled individuals who participated in Medicaid as SSI cash recipients or who were considered to be receiving SSI, who would still qualify for SSI except for earnings. Many members in this category ultimately transition to the Ticket to Work Basic Group.	§1619(b); §1905(q)	Non-MAGI	Plan A and HCBS services if applicable	(1) If receiving community-based MLTSS, then “HCBS – State Plan.” (2) If residing in a NF, ICF/ID, or other institutional setting, then “LTC.” (3) If enrolled in the Supports Program, “Supports.” (4) If enrolled in the Community Care Program, “Community Care Program.” (5) If none of the above, then “ABD.”
Disabled Adult Children	Individuals who lose eligibility for SSI at age 18 or older due to receipt of or increase in	1634(c)	Non-MAGI	Plan A and HCBS services if applicable	(1) If receiving community-based MLTSS, then “HCBS – State Plan.”

Population Eligibility Group	Population Description	Authorities	MAGI or Non-MAGI	Service Package	Reporting MEG
	Title II OASDI child benefits.				(2) If residing in a NF, ICF/ID, or other institutional setting, then “LTC.” (3) If enrolled in the Supports Program, “Supports.” (4) If enrolled in the Community Care Program, “Community Care Program.” (5) If none of the above, then “ABD.”
Qualified Medicare Beneficiaries	Individuals with income equal to or less than 100% of the FPL who are entitled to Medicare Part A, who qualify for Medicare cost-sharing.	§1902(a)(10)(E)(i); §1905(p)	Non-MAGI	Medicare Savings Plan	N/A – Excluded* from Demonstration
Specified Low Income Medicare Beneficiaries	Individuals with income between 100% and 120% of	§1902(a)(10)(E)(iii); §1905(p)(3)(A)(ii)	Non-MAGI	Medicare Savings Plan	N/A – Excluded* from Demonstration

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 Demonstration Approval Period: April 1, 2023 through June 30, 2028
 Amended: September 13, 2023

Population Eligibility Group	Population Description	Authorities	MAGI or Non-MAGI	Service Package	Reporting MEG
	the FPL who are entitled to Medicare Part A, who qualify for payment of Medicare Part B premiums.				
Qualifying Individuals	Individuals with income between 120% and 135% of the FPL who are entitled to Medicare Part A, who qualify for payment of Medicare Part B premiums.	§1902(a)(10)(E)(iv); §1905(p)(3)(A)(ii)	Non-MAGI	Medicare Savings Plan	N/A – Excluded* from Demonstration
Children with Non-IV-E Adoption Assistance	Children with special needs for whom there is a non-IV-E adoption assistance agreement in effect with a state, who either were eligible for Medicaid or had income at or below a standard established by the state.	42 CFR 435.227; §1902(a)(10)(A)(ii) (VIII)	MAGI	Plan A	Title XIX

Population Eligibility Group	Population Description	Authorities	MAGI or Non-MAGI	Service Package	Reporting MEG
Independent Foster Care Adolescents	Individuals under an age specified by the state, up to age 21, who were in foster care on their 18th birthday and who meet the income standard established by the state.	42 CFR 435.226; §1902(a)(10)(A)(ii) (XVII)	MAGI	Plan A	Title XIX
Certain Individuals Needing Treatment for Breast or Cervical Cancer	Uninsured individuals under age 65 who received a screening for breast or cervical cancer from a qualified screening site and have been found to need treatment.	42 CFR 435.213; §1902(a)(10)(A)(ii) (XVIII); §1902(aa)	Non-MAGI	Plan A	Title XIX
Individuals Eligible for Family Planning Services	Individuals who are not pregnant, with income equal to or below the highest standard for pregnant women, as specified by the state, limited to family planning and related services.	42 CFR 435.214; §1902(a)(10)(A)(ii) (XXI)	MAGI	Family planning and family planning related	Title XIX

Population Eligibility Group	Population Description	Authorities	MAGI or Non-MAGI	Service Package	Reporting MEG
Aged, Blind or Disabled Individuals Eligible for but Not Receiving Cash Assistance	Individuals who meet the requirements of SSI or Optional State Supplement, but who do not receive cash.	42 CFR 435.210 & 230; §1902(a)(10)(A)(ii)(I)	Non-MAGI	Plan A and HCBS services if applicable	(1) If receiving community-based MLTSS, then “HCBS – State Plan.” (2) If residing in a NF, ICF/ID, or other institutional setting, then “LTC.” (3) If enrolled in the Supports Program, “Supports.” (4) If enrolled in the Community Care Program, “Community Care Program.” (5) If none of the above, then “ABD.”
Individuals Eligible for Cash Assistance except for Institutionalization	Individuals who meet the requirements of AFDC, SSI or Optional State Supplement, and	42 CFR 435.211; §1902(a)(10)(A)(ii)(IV)	Non-MAGI	Plan A	LTC

Population Eligibility Group	Population Description	Authorities	MAGI or Non-MAGI	Service Package	Reporting MEG
	would be eligible if they were not living in a medical institution.				
Individuals Receiving Home and Community Based Services under Institutional Rules	Individuals who would be eligible for Medicaid under the State Plan if in a medical institution, who would live in an institution if they did not receive home and community-based services.	42 CFR 435.217; §1115; §1902(a)(10)(A)(ii) (VI); STCs: 5.6, 5.9(b)(ii), 5.10(b)(ii), 5.8, 5.11	Non-MAGI	Plan A and HCBS services if applicable	(1) If enrolled in MLTSS “HCBS 217-Like.” (2) If enrolled in Children’s System of Care – “SED 217-Like” or “I/DD 217-Like.” (3) If enrolled in the Supports Program, “Supports.” (4) If enrolled in the Community Care Program, “Community Care Program.”
Optional State Supplement Recipients - 1634 States, and SSI Criteria States	Individuals in 1634 States and in SSI Criteria States with agreements under 1616, who receive a state supplementary	42 CFR 435.232; §1902(a)(10)(A)(ii) (IV)	Non-MAGI	Plan A and HCBS services if applicable	(1) If receiving community-based MLTSS, then “HCBS – State Plan.”

Population Eligibility Group	Population Description	Authorities	MAGI or Non-MAGI	Service Package	Reporting MEG
with 1616 Agreements	payment (but not SSI).				(2) If residing in a NF, ICF/ID, or other institutional setting, then “LTC.” (3) If enrolled in the Supports Program, “Supports.” (4) If enrolled in the Community Care Program, “Community Care Program.” (5) If none of the above, then “ABD.”
Institutionalized Individuals Eligible under a Special Income Level	Individuals who are in institutions for at least 30 consecutive days who are eligible under a special income level.	42 CFR 435.236; 42 CFR 435.231; §1902(a)(10)(A)(ii)(V)	Non-MAGI	Plan A	LTC
Individuals participating in a PACE Program	Individuals who would be eligible for Medicaid under the State Plan if in a	§1934; 42 CFR 435.217	Non-MAGI	Plan A	N/A – Excluded* from Demonstration

Population Eligibility Group	Population Description	Authorities	MAGI or Non-MAGI	Service Package	Reporting MEG
under Institutional Rules	medical institution, who would require institutionalization if they did not participate in the PACE program.				
Poverty Level Aged or Disabled	Individuals who are aged or disabled with income equal to or less than 100% of the FPL.	§1902(a)(10)(A)(ii) (X); §1902(m)(1)	Non-MAGI	Plan A	(1) If enrolled in the Supports Program, “Supports.” (2) If enrolled in the Community Care Program, “Community Care Program.” (3) If none of the above, then “ABD.”
Ticket to Work Basic Group	Individuals with earned income between ages 16 and 64 with a disability, with income and resources equal to or below a standard specified by the state.	§1902(a)(10)(A)(ii) (XV)	Non-MAGI	Plan A	(1) If enrolled in the Supports Program, “Supports.” (2) If enrolled in the Community Care Program, “Community Care Program.”

Population Eligibility Group	Population Description	Authorities	MAGI or Non-MAGI	Service Package	Reporting MEG
					(3) If none of the above, then "ABD."
Supports Expansion	Individuals who meet functional criteria for Supports, are not eligible under state plan, and have income up to 300% of the SSI federal benefit rate.	§1115 STC: 5.8	Non-MAGI	Plan A	Supports
SED at Risk	Children with SED who are not eligible for New Jersey Medicaid or CHIP state plan services and who are at risk of hospitalization, out of home treatment or at hospital level of care, have a household income above 300% of the FBR, and meet criteria for CSOC services.	§1115 STC: 5.9(b)(iii)	Non-MAGI	Behavioral Health and HCBS Services Only	SED at Risk

Population Eligibility Group	Population Description	Authorities	MAGI or Non-MAGI	Service Package	Reporting MEG
I/DD at Risk	Children with I/DD who are not eligible for New Jersey Medicaid or CHIP state plan services and who are at risk of hospitalization, out of home treatment or at hospital level of care, have a household income above 300% of the FBR, and meet criteria for CSOC services.	§1115 STC: 5.10(b)(iii)	Non-MAGI	Behavioral Health and HCBS Services Only	I/DD at Risk
Medically Needy Pregnant People	People who are pregnant, who would qualify as categorically needy, except for income.	42 CFR 435.301(b)(1)(i) and (iv); §1902(a)(10)(C)(ii) (II)	Non-MAGI	Medically Needy Benefit Plan	Title XIX
Medically Needy Children under Age 18	Children under 18 who would qualify as categorically needy, except for income.	42 CFR 435.301(b)(1)(ii); §1902(a)(10)(C)(ii) (II)	Non-MAGI	Medically Needy Benefit Plan	Title XIX
Medically Needy Children Age 18 through 20	Children over 18 and under an age established by the state (less than age	42 CFR 435.308; §1902(a)(10)(C)(ii) (II)	Non-MAGI	Medically Needy Benefit Plan	Title XIX

Population Eligibility Group	Population Description	Authorities	MAGI or Non-MAGI	Service Package	Reporting MEG
	21), who would qualify as categorically needy, except for income.				
Medically Needy Aged, Blind, or Disabled People	Individuals who are age 65 or older, blind, or disabled, who are not eligible as categorically needy, who meet income and resource standards specified by the State, or who meet the income standard using medical and remedial care expenses to offset excess income.	42 CFR 435.320, 435.322, 435.324, and 435.330; §1902(a)(10)(C)	Non-MAGI	Medically Needy Benefit Plan	(1) If residing in a NF, ICF/ID, or other institutional setting, then “LTC.” (3) If enrolled in the Supports Program, “Supports” (4) If enrolled in the Community Care Program, “Community Care Program” (5) If none of the above, then “ABD.”
OPG Financial Eligibility Determination Pilot	Individuals under the guardianship of the New Jersey OPG who qualify for expedited	§1115 STC: 5.14	Non-MAGI	Plan A	Financial Eligibility (OPG)

Population Eligibility Group	Population Description	Authorities	MAGI or Non-MAGI	Service Package	Reporting MEG
	financial eligibility determination.				
Targeted Low-Income Children	Uninsured children under age 19 who do not have access to public employee coverage and whose household income is within standards established by the state.	42 CFR 457.310; §2102(b)(1)(B)(v)	MAGI	Plan B, C, or D, depending on FPL	N/A - Title XXI*
Deemed Newborn	Children born to targeted low-income pregnant individuals who are deemed eligible for CHIP or Medicaid for one year.	42 CFR 435.117(b)(2) §2112(e)	MAGI	Plan A	N/A - Title XXI*
Targeted Low-Income Pregnant Individuals	Uninsured pregnant individuals who do not have access to public employee coverage and whose household income is within standards established by the state.	§2112	MAGI	Plan A	N/A - Title XXI*

*These eligibility groups are not part of the demonstration – all changes to these groups require approved state plan amendments.

5. DEMONSTRATION PROGRAMS AND BENEFITS

Individuals affected by, or eligible under, the demonstration will receive benefits based on criteria as outlined in the Table A above. Individuals may receive additional benefits specifically authorized in demonstration expenditure authorities as described below.

- 5.1. **FamilyCare Plan A.** Individuals enrolled in FamilyCare Plan A receive Medicaid state plan services. The state provides Personal Care Assistance, Medical Day and adult dental in its state plan package.
- 5.2. **FamilyCare Plan B.** Individuals enrolled in FamilyCare Plan B receive the Title XXI, benefit package, for children and families with income between 133-150% FPL. Benefits provided under this package echo the benefits provided in Plan A.
- 5.3. **FamilyCare Plan C.** Individuals enrolled in FamilyCare Plan C receive the Title XXI benefit package, for children and families with income between 150-200% FPL. Benefits provided under this package echo the benefits provided in Plan A.
- 5.4. **FamilyCare Plan D.** This plan provides benefits to children and families with income between 200-350% FPL. Individuals enrolled in FamilyCare Plan D receive Title XXI benefits provided in this package echo the most widely sold commercial package in the state.
- 5.5. **NJFC Alternative Benefit Plan.** The state's FamilyCare ABP is for individuals in the New Adult Group, ages 21-64. The ABP provides medical and behavioral health services; including additional mental health and substance use disorder services. All Medicaid state plan benefits are included. Services are provided via managed care with the exception of mental health and substance use disorder services, which are provided Fee-for-Service (FFS). There are no cost-sharing requirements in the ABP.
- 5.6. **Managed Long Term Services and Supports Program.** The MLTSS program provides home and community-based services to elderly and disabled individuals through a managed care delivery system.
 - a. **Operations:** The administration of the MLTSS Program is through DMAHS in conjunction with the Division of Aging Services (DoAS), and the Division of Developmental Disability Services (DDS).
 - b. **Eligibility:**
 - i. Meets Nursing Facility (NF) Level of Care (LOC) defined as:
 1. An adult (ages 21 and older) individual must be clinically eligible for MLTSS services when the individual's standardized assessment demonstrates that the individual satisfies any one or more of the following three criteria:
 - a. The individual:

- i. Requires limited assistance or greater with three or more activities of daily living;
 - ii. Exhibits problems with short-term memory and is minimally impaired or greater with decision making ability and requires supervision or greater with three or more activities of daily living; and/or
 - iii. Is minimally impaired or greater with decision making and, in making himself or herself understood, is often understood or greater and requires supervision or greater with three or more activities of daily living.
- ii. A child (ages birth through 20) must be clinically eligible for MLTSS services when:
- 1. The child exhibits functional limitations, identified in terms of developmental delay or functional limitations in specific age-appropriate activities of daily living, requiring nursing care over and above routine parenting and meets one of the following nursing care criteria:
 - a. Medical and/or intense therapeutic services for the medically complex child who exhibits a severe illness that requires complex skilled nursing interventions 24 hours per day, seven days per week.
 - b. Skilled Nursing Services must be based upon, but not limited to, at least one of the following:
 - i. Dependence on mechanical ventilation;
 - ii. The presence of an active tracheostomy;
 - iii. The need for deep suctioning;
 - iv. The need for around-the-clock nebulizer treatments with chest physiotherapy;
 - v. Gastrostomy feeding when complicated by frequent regurgitation and/or aspiration; or is on continuous feeding for more than 4 hours at a time;
 - vi. A seizure disorder manifested by frequent prolonged seizures requiring emergency administration of anticonvulsant medication in the last four months; and/or
 - vii. Medical and/or intense therapeutic services for the technology dependent child who requires a medical device that the Federal Food and Drug Administration has classified pursuant to 21 C.F.R. 860.3, as amended and supplemented, as a life-supporting or life-

sustaining device that is essential to, or that yields information that is essential to, the restoration or continuation of a bodily function important to the continuation of human life.

2. These services must be provided if the life-supporting or life-sustaining device is necessary to compensate for the loss of a vital function, to avert death or further disability, and if the use of the device requires ongoing skilled nursing intervention.
- iii. Meets all financial criteria listed for a MLTSS eligible Medicaid group listed under Table A in accordance with the Medicaid state plan or this demonstration.
- iv. The individual must be receiving care management services including, but not limited to, outreach and face-to-face visits.

c. Exclusions:

- i. Individuals cannot be enrolled into the MLTSS program if they are enrolled in another HCBS program (e.g., CCP, Supports Program, etc.).
- ii. Individuals may be disenrolled if they refuse to participate in any part of the program requirements, including but not limited to: quarterly face-to-face care management meetings and annual LOC assessments. Disenrolled individuals will be provided with a notice of containing information on the right to appeal.

d. Level of Care Assessment for Enrollees: The following procedures and policies must be applied to enrollees receiving MLTSS:

- i. An evaluation for LOC must be given to all applicants for whom there is reasonable indication that services may be needed by either the state or the MCO.
- ii. The plans and the state will use the “NJ Choice” tool as the standardized functional assessment for determining a LOC.
- iii. In addition to the NJ Choice tool, the state and the MCOs may also utilize the "Home and Community-Based Long-Term Care Assessment" Form (CP-CM-1).
- iv. The state must perform the assessment function for individuals not presently enrolled in managed care. The MCO must complete the LOC assessment as part of its comprehensive needs assessment for its members and will forward to the state for final approval for those individuals determined to meet NF LOC.
- v. The MCOs must not fundamentally alter the nature of the NJ Choice tool when accommodating it to their electronic/database needs.

- vi. The MCOs and/or the state must perform functional assessments within 45 days of the time a referral is received.
 - vii. All enrollees must be reevaluated at least annually or as otherwise specified by the state, as a contractual requirement by the MCO.
 - viii. Individuals in the Supports program who are in need of Private Duty Nursing services are to be assessed for NF LOC in the same manner as a MLTSS applicant, however, upon approval will only be able to access the private duty nursing benefit.
 - ix. Individuals currently enrolled in the MLTSS program that are also determined eligible for the Supports Program may enroll in the Supports Program and access only the private duty nursing benefit from the MLTSS program without being reassessed until their annual reassessment date.
- e. **Enrollment in MLTSS:** The effective date of enrollment in MLTSS must be established by the state based on a determination that an applicant is eligible for and must begin receiving LTSS. Enrollment procedures differ depending on whether or not the individual is already enrolled in NJFC.
- f. **Benefits/Services, Limitations, and Provider Specifications:** Individuals enrolled in the MLTSS Program receive, with limited exceptions, all Medicaid State Plan services included in FamilyCare Plan A, including behavioral health, through their Medicaid MCO. This population also receives an additional HCBS package of benefits, specifically authorized in demonstration expenditure authorities, listed in Attachment C. Individuals in an Assisted Living Facility at the time of Medicaid eligibility will have their MLTSS services paid FFS until MCO enrollment.
- g. **Stakeholder Engagement.** The state’s Medical Assistance Advisory Committee per 42 CFR 431.12 will include MLTSS representation.
- h. **Money Follows the Person (MFP).** The state will continue to operate its MFP demonstration program outside of the Section 1115 demonstration. Under the state’s MFP program, the state will continue its responsibilities for developing transitional plans of services for enrollees. The MLTSS plans’ responsibilities include:
- i. Identifying enrollees who may be appropriate to transition from nursing homes;
 - ii. Referring enrollees to state staff in the MFP office;
 - iii. Providing ongoing care, case management and coordination when the enrollee returns to the community;
 - iv. The delivery of MLTSS, and
 - v. Reassessing the MFP participant prior to the 365th day in the MFP program and designating which HCBS services are the most appropriate.

5.7. **Short Term Nursing Facility Stays.** Short term nursing facility stays are covered for individuals receiving HCBS FFS or MLTSS Coverage of nursing facility care for up to no more than 180 days is available to a HCBS/MLTSS demonstration participant receiving home and community-based services upon admission who requires temporary placement in a nursing facility when such participant is reasonably expected to be discharged and to resume HCBS participation within no more than 180 days including situations when a participant needs skilled or rehabilitative services for no more than 180 days due either to the temporary illness of the participant or absence of a primary caregiver.

- a. The state assures CMS that it will conduct necessary and timely PASRR screening, NF and HCBS waiver level of care assessments, and regularly update the individualized person-centered care plans and ensures the beneficiary receives all necessary state plan and waiver services in order to function at the highest level possible.
- b. Such HCBS/MLTSS demonstration participants must meet the nursing facility level of care upon admission, and in such case, while receiving short-term nursing facility care may continue enrollment in the demonstration pending discharge from the nursing facility within no more than 180 days or until such time it is determined that discharge within 180 days from admission is not likely to occur, at which time the person must be transitioned to an institution, as appropriate.
- c. The community maintenance needs allowance must continue to apply during the provision of short-term nursing facility care in order to allow sufficient resources for the member to maintain his or her community residence for transition back to the community.

5.8. **Supports Program.** The Supports Program provides a basic level of support services to individuals with developmental disabilities who meet eligibility criteria.

- a. **Operations:** The administration of the program is through the Division of Developmental Disabilities (DDD).
- b. **Eligibility:** Individuals who meet the following criteria are eligible for the Supports program.
 - i. Are otherwise Medicaid eligible (including via a QIT if operationalized), or have income of up to 300% of the FBR;
 - ii. Are over the age of 21, or between the ages of 18 to 21, and have graduated from, or are no longer eligible for, the services they are entitled to through their local educational authority (educational entitlement); and
 - iii. Meet all criteria for functional eligibility using the LOC assessment process in STC 5.8(c) for DDD services including the following definition of “developmental disability”. Developmental disability is defined as: “a severe, chronic disability of an individual which:

1. Is attributable to a mental or physical impairment or combination of mental and physical impairments;
 2. Is manifest before age 22;
 3. Is likely to continue indefinitely;
 4. Results in substantial functional limitations in three or more of the following areas of major life activity: self-care, receptive and expressive language, learning, mobility, self-direction capacity for independent living and economic self-sufficiency;
 5. Reflects the need for a combination and sequences of special interdisciplinary or generic care, treatment or other services which are of lifelong or extended duration and are individually planned and coordinated; and
 6. Includes, but is not limited to, severe disabilities attributable to intellectual disability, autism, cerebral palsy, epilepsy, spina bifida and other neurological impairments where the above criteria are met.”
- c. **Level of Care (LOC) Assessment:** The participant has a developmental disability and substantial functional limitations in three or more major life activities as determined by DDD’s assessment process.
- d. **POC Referral.** When it has been confirmed that a candidate has met all of the requirements for enrollment, DDD will refer the case to the appropriate support coordination provider for development of the participant's plan of care (PoC) and initiation of services.
- e. **Exclusions:** Individuals may not enroll in the Supports Program if:
- i. They are enrolled in another HCBS/MLTSS program, Children Support Services Program, or the CCP, except that individuals who require private duty nursing services may access only that service from the MLTSS program and still remain on the Supports Program. Individuals enrolled in the Supports Program who are accessing Private Duty Nursing (PDN) from the MLTSS Program may be enrolled in any Medicaid eligibility group recognized within the Supports Program, MLTSS and will be able to access all Supports Program services.
 - ii. They require institutional care and cannot be maintained safely in the community.
- f. **Expenditure Cap.** Participants in the program will have an individual expenditure cap per person per year that is based on functional assessment. This expenditure cap is reevaluated annually during development of the annual plan of care.
- g. **Case Management.** Every Participant will have access to Support Coordination (case management) which is outside of the expenditure cap. Every participant will

have access to Financial Management Services (fiscal intermediary). This will also be outside of the expenditure cap.

- h. **Bump-Up.** This program also contains a unique feature whereby participants who experience a major change in life circumstances which results in a need for additional temporary services may be eligible to receive a short-term “bump up” in their expenditure cap. This “bump up” is capped at \$5,000 per participant. The bump up will be effective for up to one year. Participants may only seek bump up services annually. The services that may be purchased with bump up dollars are any services described in Attachment C under Supports Program, with the exception of the Day Program Related Services.
- i. **Enrollment:** All referrals for the Supports Program are screened by DDD to determine if the individual meets the target population criteria, is Medicaid eligible, meets LOC clinical criteria, is in need of support services, the participant agrees to comply with all program requirements, and participant’s needs can be safely met in the community. Individuals will be assessed for Medicaid eligibility and LOC clinical criteria and enrolled into the program. When potential new participants are referred, they will be assessed for eligibility and enrolled based on availability of annual state budget allocations.
- j. **Assessment tool:** DDD’s comprehensive statewide assessment tool is used to assess clinical LOC and functional level for budget determination(s). A statement will be included certifying that an individual meets the functional criteria for DDD and is eligible for the Supports Program.
- k. **LOC Reassessment:** LOC will be reviewed annually and reassessment will occur when there is a significant change in a participant’s functional level that warrants less supports. The initial LOC assessment is based on an individual being diagnosed with a developmental disability and substantial functional limitation in three or more major life activities. This is unlikely to change from year to year.
- l. **Transition:** If health and safety cannot be maintained for a participant on this program because s/he requires a higher level of services than are available, the IDT will make the recommendation and the participant will voluntarily disenroll from the program prior to transition onto a more comprehensive HCBS program (e.g., CCP, MLTSS, etc.). The IDT will commence transition planning to identify service needs and necessary resources. Referrals will be made to all services, as applicable including the CCP.
- m. **Disenrollment:** Participants will be disenrolled from the program if they lose Medicaid eligibility, choose to decline participation in the program, enroll in another HCBS program (e.g., CCP, MLTSS, etc.), no longer need support services, or no longer reside in the state.

- n. **Benefits/Services, Limitations, and Provider Specifications:** In addition to NJFC Plan A services, Supports program participants receive the benefits outlined in Attachment C.
- o. **Cost Sharing:** See Attachment C.
- p. **Delivery System:** Medicaid State Plan services for this population will be delivered and coordinated through their Medicaid MCO as outlined in the MCO contracts. HCBS services, described in Attachment C, are provided FFS and will be delivered either through providers that are enrolled as Medicaid providers and are approved by DDD or through non-traditional service providers that are approved by DDD and bill for services through a fiscal intermediary. Services can be either provider-managed, self-directed, or a combination thereof, as approved in the participant's Plan of Care.

5.9. **Children's Support Services Program (CSSP) SED.** This program provides behavioral health and HCBS services and supports to individuals under age 21, that have a SED which places them at risk of hospitalization, out of home treatment or at hospital level of care.

- a. **Operations:** The program is administered through the Department of Children and Families (DCF), Children's System of Care (CSOC) for individuals under 21 who have SED.
- b. **Eligibility/Benefits:**
 - i. Individuals who are eligible for New Jersey Medicaid or CHIP state plan services and meet criteria for DCF/CSOC services will receive coverage for HCBS SED services listed in Attachment C following an assessment by the Administrative Services Organization (ASO) (STC 9.8) and referral to the Care Management Organization (CMO) or Mobile Response and Stabilization Services for development of a plan of care.
 - ii. Individuals who are not eligible for New Jersey Medicaid or CHIP state plan services and who are at risk of hospitalization, out of home treatment or at hospital level of care, have household income up to 300% of FBR, using institutional deeming rules where appropriate (including treatment as a "Household of One") will receive coverage for state plan services and services listed in Attachment C, based on the individual's plan of care as developed by the CMO.
 - iii. Individuals who are not eligible for New Jersey Medicaid or CHIP state plan services and who are at risk of hospitalization, out of home treatment or at hospital level of care, have a household income above 300% of the FBR, and meet criteria for DCF/CSOC services will receive coverage for HCBS SED services and State Plan Behavioral Health Services, based on the individual's plan of care as developed by the CMO.

c. **Exclusions.** Individuals are not eligible for CSSP in the following circumstances:

- i. The individual is not a resident of New Jersey.
 - ii. The family/caregiver(s) with authority to consent to treatment for the individual declines program services.
 - iii. Current assessment or other relevant information indicates that the individual can be safely maintained and effectively supported at a less intensive level of care.
 - iv. The behavioral symptoms are the result of a medical condition that warrants a medical setting formed and documented by the individual's primary care physician and/or the DCF/CSOC or its designee.
 - v. For all services, the services and supports cannot be provided if the family/caregiver is unwilling or unable to comply with all program requirements.
 - vi. The individual has a sole diagnosis of substance use and there is no identified, co-occurring emotional or behavioral disturbances consistent with the current version of Diagnostic and Statistical Manual of Mental Disorders (DSM).
 - vii. The individual's sole diagnosis is an Intellectual/Developmental Disability.
- d. **LOC Assessment:** The DCF/CSOC level of care will be reviewed at least annually using DCF/CSOC's criteria and the New Jersey DCF/CSOC's Information and Management Decision Support (IMDS) tools.
- e. **Disenrollment:** An individual may be disenrolled from the program if:
- i. The individual no longer is at risk of hospitalization, out of home treatment or at hospital level of care;
 - ii. The family/caregiver is unable or unwilling to implement the treatment plan developed by the CMO or fails to comply with the terms as outlined in the plan. Prior to disenrollment, the team will collaborate and make substantial efforts to ensure the individual's success in the program, working to remedy any barriers or issues that have arisen, including those involving family/caregiver cooperation with the treatment plan. An individual will only be disenrolled after significant efforts have been made to achieve success. If they will be disenrolled, the team will make recommendations and identify alternative local community and other resources for the individual prior to disenrollment;
 - iii. The individual's documented treatment plan goals and objectives have been met; or
 - iv. The individual is no longer a resident of New Jersey.

- f. **Delivery System:** Medicaid State Plan Services are delivered through the MCO. HCBS and behavioral health services are coordinated and authorized through the DCF/CSOC ASO. HCBS programs outlined in Attachment C will be delivered FFS.

5.10. **Children’s Support Services Program (I/DD).** Program for individuals with intellectual/developmental disabilities (I/DD) provides HCBS services and supports to individuals under the age of 21. Youth that meet the DCF/CSOC functional eligibility criteria as defined by state and federal law and in this STC (functional eligibility criteria) for I/DD. Individuals may also have a co-occurring I/DD and mental health diagnosis (I/DD-MI).

a. **Operations:** The program is administered through the DCF/CSOC.

b. **Eligibility/Benefits:**

- i. Individuals who are eligible for New Jersey Medicaid or CHIP state plan services and meet criteria for DCF/CSOC services will receive coverage for HCBS I/DD services listed in Attachment C following an assessment by the ASO (STC 9.8) and referral to the CMO or Mobile Response and Stabilization Services for development of a plan of care.
- ii. Individuals who are not eligible for New Jersey Medicaid or CHIP state plan services and who are at risk of hospitalization, out of home treatment or at hospital level of care, have household income up to 300% of the FBR, using institutional deeming rules where appropriate (including treatment as a “Household of One”), will receive coverage for state plan services and services listed in Attachment C, based on the individual’s plan of care as developed by the CMO.
- iii. Individuals who are not eligible for New Jersey Medicaid or CHIP state plan services and who are at risk of hospitalization, out of home treatment, or at hospital level of care, have a household income above 300% of the FBR, and meet criteria for DCF/CSOC services will receive coverage for HCBS I/DD services listed in Attachment C and state plan behavioral health services, based on the individual’s plan of care as developed by the CMO.

c. **Functional eligibility for developmental disability.** To meet the functional eligibility criteria for I/DD, an individual must be diagnosed with a severe, chronic disability that:

- i. is attributable to a mental or physical impairment or combination of mental and physical impairments.
- ii. is manifested before age 22.
- iii. is likely to continue indefinitely.
- iv. results in substantial functional limitations in three or more of the following areas of major life activity: self-care, receptive and expressive language,

learning, mobility, self-direction capacity for independent living and economic self-sufficiency.

- v. reflects the need for a combination and sequences of special interdisciplinary or generic care, treatment or other services which are of lifelong or extended duration and are individually planned and coordinated.
- vi. includes but is not limited to severe disabilities attributable to intellectual disability, autism, cerebral palsy, epilepsy, spina bifida and other neurological impairments where the above criteria are met.
- vii. Infants and young children. An individual from birth to age nine, inclusive, who has a substantial developmental delay or specific congenital or acquired condition, may be considered to have a developmental disability without meeting three or more of the criteria described in (a) through (f), if the individual, without services and supports, has a high probability of meeting those criteria later in life.

d. Exclusions:

- i. Individuals who are not residents of New Jersey are not eligible for CSSP (I/DD).
- ii. Services that are provided under the individualized educational program are not covered under this demonstration.
- iii. For all services, these cannot be provided if the family/caregiver is unwilling or unable to comply with all program requirements.

e. LOC Assessments will be in alignment with standards in STC 5.9.d.

f. **Disenrollment:** An individual will be disenrolled from the program for the following reasons:

- i. The family/caregiver declines participation or requests to be disenrolled from the program;
- ii. The family/caregiver is unable or unwilling to implement the treatment plan or fails to comply with the terms as outlined in the plan. Prior to disenrollment, the team will collaborate and make substantial efforts to ensure the individual's success in the program, working to remedy any barriers or issues that have arisen, including those involving family/caregiver implementation of the treatment plan. An individual will only be disenrolled after significant efforts have been made to achieve success. If they will be disenrolled, the team will make recommendations and identify alternative Local community and other resources for the individual prior to disenrollment;
- iii. The individual's documented treatment plan goals and objectives have been met;

- iv. The individual is no longer receiving HCBS services; or
 - v. The individual is no longer a resident of New Jersey.
- g. **Delivery System:** Medicaid State Plan and certain behavioral health services will be delivered through the individual's Medicaid MCO. HCBS and other behavioral health services and supports are coordinated and authorized through the DCF/CSOC ASO and will be delivered FFS. The services will be defined in the respective contracts with the MCO and ASO.

5.11. **Community Care Program (CCP).** This program is administered by the Division of Developmental Disabilities providing services and supports for individuals with developmental disabilities, who are Medicaid eligible and meet the Intermediate Care Facility (ICF/ID) level of care requirements, to aid them in living in the community setting. The state transitioned this program from operation under a 1915(c) waiver to the 1115(a) demonstration authority in 2017.

- a. **Eligibility:** In order to be eligible for the CCP, an individual must meet the following criteria:
 - i. Be otherwise eligible for Medicaid (including via a QIT, if operational) or have an income of up to 300% of the FBR
 - ii. Be determined eligible for DDD services
 - iii. Meet ICF/ID clinical level of care (LOC)
 - iv. Be at the top of the waiting list, be deemed an emergency, or else be part of Olmstead
- b. **Exclusions:**
 - i. An applicant may not be enrolled while receiving another HCBS program (e.g., Supports Program, MLTSS, CSOC, etc.).
- c. **Enrollment:** CCP participants must meet NJ DDD Eligibility criteria, clinical and financial eligibility criteria, are part of the target population, and require and receive at least one program service quarterly, in addition to Support Coordination. Additionally, participants need to sign the CCP Participant Agreement.
- d. **Enrollment cap:** In cases where the state determines, based on advance budget projections that it cannot continue to enroll CCP participants without exceeding the funding available for the program the state can establish an enrollment cap for the CCP.
 - i. Notice - before affirmatively implementing the caps authorized in subparagraph (c), the state will notify CMS at least 60 days in advance. This notice will also include the impact on budget neutrality.

- ii. Implementing the Limit - if the state imposes an enrollment cap, it will implement a waiting list whereby applicants will be added to the demonstration based on date of application starting with the oldest date. Should there be several applicants with the same application date, the state will enroll based on date of birth starting with the oldest applicant.
 - iii. Individuals on the CCP Wait Lists have been and will continue to be offered enrollment on the Supports Program providing they meet eligibility criteria.
 - iv. Removing the Limit – the state will notify CMS in writing at least 30 days in advance when removing the limit.
- e. **Level of care:**
- i. **LOC Assessment:** The state will use the CMS approved and defined ICF-ID level of care to mean the recipient has been determined eligible for DDD services in accordance with N.J.A.C. 10:46 and has substantial functional limitations which require care and/or treatment in an ICF/ID or alternately, in a community program under the DDD CCP.
 - ii. The responsibility of conducting the level of care evaluations and re-evaluations falls to DDD staff or Support Coordinators that meet the qualifications of a Qualified Intellectual/Developmental Disability Professional (QIDP) as defined in 42 CFR 483.430. The CMS approved LOC assessment is embedded in the NJ Comprehensive Assessment Tool (NJ CAT) and is completed by an informant knowledgeable with regard to the prospective program participant. This individual may include a family member or a paid caregiver who can best describe the abilities and needs of the individual. The completed tool is then reviewed by a QIDP to ensure the assessment is consistent with both the QIDP’s observations and the skills/needs that are ultimately presented in the individual’s Service Plan (Plan of Care).
 - iii. **LOC Reassessment:** The re-evaluation of LOC is completed by a QIDP annually as a result of reviewing the NJ CAT questions related to level of care during the service planning (Plan of Care) process each year.
- f. **Plan of Care:** The assigned support coordinator/case manager works with the participants and/or their representative(s), a legal representative or an individual selected by the participant to act on his/her behalf, to develop a plan of care that addresses the participant's needs, and then coordinates the delivery of services with the providers. The Plan of Care describes: (a) the services that are furnished to the participant and their projected frequency; and (b) the other services (including state plan services and natural supports) that complement the HCBS under this program.
- g. **Transition:** There is no maximum age limit for this program.
- h. **Disenrollment:** Members will be disenrolled in the following circumstances:

- i. The enrollee requests to dis-enroll;
 - ii. The enrollee chooses to enroll in another HCBS Program or MLTSS;
 - iii. The enrollee no longer meets the ICF/ID level of care criteria;
 - iv. The enrollee has not maintained compliance with the CCP Participant Agreement;
 - v. The enrollee no longer meets the income requirements;
 - vi. The enrollee becomes incarcerated or is placed in an institutional placement;
 - vii. The enrollee no longer resides in New Jersey;
 - viii. Death of the enrollee.
- i. **Benefits/Services, Limitations, and Provider Specifications:** In addition to Plan A services, CCP participants receive the benefits outlined in Attachment C.
- j. **Delivery System:**
- i. State plan and behavioral health services will be delivered through a Medicaid MCO as outlined in the MCO contract. Services not delivered by the Medicaid MCO will be covered under FFS.
- k. **Payment:** Payment for the CCP is under a Fee for Service (FFS) Payment System.

5.12. **Adjunct Services Autism Spectrum Disorder (ASD) Pilot.** This pilot would test the impact of expanding the available options for youth with an ASD diagnosis by offering a limited package of adjunct services that are not coverable under the state plan, to individuals up to age 21.

- a. **Program Overview:** This pilot is intended to provide NJFC/Medicaid eligible children with adjunct or specialized services that they are unable to access via the state plan. All 1905(a) services under EPSDT will be provided through the state plan to state plan eligible individuals. The state will provide individuals up to their 21st birthday who have a diagnosis of ASD with adjunct or specialized services to support and assist the individual with activities as outlined in their plan of care. These services are intended to enhance inclusion in the community rather than clinic based settings or the member's home, and they must be associated with and support goals within the overall treatment plan. Services offered through the demonstration would be limited to Art therapy, Aquatic therapy, Hippotherapy/therapeutic horseback riding, Music therapy, Drama therapy, Dance/movement therapy, and Recreation therapy. All services are subject to state-developed cost-effectiveness requirements.
- b. **Eligibility:** Individuals up to their 21st birthday who are eligible for either the New Jersey Medicaid or CHIP programs and have a ASD diagnosis as defined by ICD 10

diagnoses F84.0 through F84.9 by a qualified healthcare provider using an approved assessment tool referenced below:

i. Approved Assessment Tools include:

1. ABAS – Adaptive Behavior Assessment System II
2. CARS – Childhood Autism Rating Scale
3. DDRT – Developmental Disabilities Resource Tool
4. GARS – Gilliam Autism Rating Scale
5. ADOS – Autism Diagnostic Observation Scale
6. ADI – Autism Diagnostic Interview-Revised
7. ASDS – Asperger’s Syndrome Diagnostic Scale

c. **Exclusions:**

- i. Individuals over the age of 21
- ii. Individuals without an ASD diagnosis
- iii. Individuals with private insurance that offers these types of benefits, whether or not they have exhausted the benefits.

d. **Enrollment:** Potential ASD program participants will be referred to DMAHS for screening and assessment. Once a child has been determined to have an ASD and a treatment plan has been approved, she/he will be referred for enrollment in the program.

e. **Disenrollment:** A participant will be disenrolled from the demonstration for the following reasons:

- i. Age out at age 21
- ii. Participant is deemed no longer in need of services, as per the reassessment process.
- iii. Loss of NJFC/Medicaid eligibility
- iv. Participant no longer resides in New Jersey

5.13. **New Jersey Home Visiting Pilot (NJHV) Program.** Under this pilot program, the state will provide evidence-based home visiting services to up to 500 families each demonstration year by licensed practitioners or certified home visitors to promote enhanced health outcomes, whole person care, and community-integration for high-risk pregnant individuals, parents of children up to three (3) years old, and children up to two (2) years old for the Nurse Family Partnership (NFP) and up to three (3) years old for Healthy Families America (HFA) and Parents as Teachers (PAT) in all counties throughout the state. The program is aligned with three evidence-based models that are

focused on the health of pregnant individuals. Additional information regarding the NJHV pilot program is in Attachment L.

- a. **Nurse Family Partnership:** The NFP is designed for reinforcing maternal behaviors that encourage positive parent child relationship and maternal, child, and family accomplishments. The New Jersey FamilyCare Section 1115 demonstration NFP will adhere to the NFP national program standards.
- b. **Healthy Families America:** The HFA model targets parents facing issues such as single parenthood, low income, childhood history of abuse, SUD, mental health issues, and domestic violence.
- c. **Parents as Teachers:** PAT targets at-risk pregnant individuals and new parents with infants and children to age three to identify and address perinatal and infant/child health issues and developmental delays, and parent knowledge and support.

5.14. **Financial Eligibility Determination Pilot Program.** For individuals under the guardianship of the New Jersey Office of the Public Guardian (OPG) and applying for Medicaid coverage, the state will provide an expedited financial eligibility determination (process outlined in Attachment H). Specifically, the state, when such an individual applies for Medicaid, will allow OPG to provide an attestation that the individual's resources are less than the \$2,000 resource limit due to financial obligations not yet paid. The state may use an OPG attestation for such individuals applying for Medicaid for the first time as of the pilot approval throughout this demonstration approval period. Financial eligibility rules for individuals to be under the guardianship of the OPG are the same as individuals applying for Medicaid regardless of guardianship status. The state must use Asset Verification System (AVS) and other electronic verification tools to verify known financial resources and identify unknown financial resources both at application and at redetermination.

a. Program Requirements

- i. After the individual's obligations are paid, for individuals determined to have been ineligible for Medicaid services due to exceeding the resource limit, the state will be responsible for funding services provided to the ineligible individual for the determination period which relied upon the OPG attestation and no FFP may be claimed for the individual.
- ii. Attestations from the OPG will be accepted only for 12 months ("12-month eligibility span") and may not be used to renew eligibility beyond the "12-month end date" regardless of whether or not the OPG has completed settling the individual's financial obligation.
- iii. If the OPG settles the individual's accounts during 180 calendar days after the 12-month end date, and the state determines the individual was eligible for Medicaid during the 12-month eligibility span, the state may claim FFP for the 12-month eligibility span. If the OPG settles the individual's accounts

after 180 days after the 12-month end date, the state not claim FFP for the 12-month eligibility span, regardless of whether or not the individual was eligible during the 12-month eligibility span.

- iv. For individuals determined to have been ineligible for Medicaid due to exceeding the income or resource limit during the 12-month eligibility span, the state will be responsible for funding services provided to the ineligible individual for the 12-month eligibility span and no FFP may be claimed for the individual. If FFP was claimed for the individual prior to the determination of ineligibility, the state is required to return the FFP.
- v. The state must require the OPG to maintain records of individuals – for whom the expedited financial eligibility determination is utilized: report to the state when the OPG settles the count of an individual who has been made eligibility based on the OPG’s attestation. The state must also maintain records of the results of the asset verification process throughout the demonstration approval period (July 25, 2019 through June 30, 2028).

5.15. **Postpartum Extension.** The state will extend postpartum coverage for individuals from the end of the state plan 60-day postpartum period to the end of the 12th month following the end of the pregnancy.

- a. To be eligible for continuous extended postpartum coverage, individuals must be enrolled in any CHIP or Medicaid eligibility group while pregnant (including during a period of retroactive eligibility). Individuals who are eligible for extended postpartum coverage will remain enrolled continuously within their CHIP or Medicaid eligibility group regardless of changes in circumstances (except for changes in state residency, if the individual requests voluntary termination or the individual is deceased) from pregnancy through the duration of the extended 12-month postpartum period.
- b. The state will conduct any required redetermination or renewal of eligibility at the end of the extended postpartum period consistent with 42 CFR 435.916 and 42 CFR 457.343. This includes determining Medicaid eligibility on all bases consistent with 42 CFR 435.916(f)(1) prior to determining an individual ineligible. Individuals determined eligible on another basis at the end of the postpartum period will be moved to the appropriate group at that time. Individuals determined ineligible for Medicaid on all bases will be provided advance notice of termination in accordance with 42 C.F.R. §435.917 and 42 C.F.R. Part 431, Subpart E and assessed for potential eligibility for other insurance affordability programs in accordance with 42 CFR 435.916(f)(2). Separate CHIP enrollees no longer eligible for CHIP must be screened for eligibility in other insurance affordability programs in accordance with 42 CFR §457.350(b), and receive timely written notice of termination in accordance with 42 CFR §457.340(e).
- c. **Postpartum coverage for the Adult Group.** The state has submitted to CMS a proxy methodology for state expenditures to qualify for the newly eligible FMAP

under Section 1905(y) of the Act, consistent with requirements provided in 42 CFR 433.206(d). This methodology must be approved by CMS and incorporated as Attachment O to these STCs, prior to the state claiming enhanced newly eligible FMAP. The proxy methodology identifies the proportion of claimed expenditures for beneficiaries receiving post-partum benefits who are reasonably estimated to meet the definition of newly eligible under Section 1905(y)(2)(A) of the Act for whom enhanced newly eligible FMAP may be claimed, and the proportion claimed for beneficiaries who do not meet this definition for whom the regular FMAP must be claimed.

5.16. **Continuous Eligibility.**

- a. **Affected Individuals.** All adult populations whose eligibility is determined by Modified Adjust Gross Income (MAGI) methodologies under New Jersey's Medicaid state plan shall qualify for a 12-month continuous eligibility period.
- b. **Continuous Eligibility Period.** Upon state submission and CMS acceptance of the protocol described in STC 14.13, the state is authorized to provide continuous eligibility for the populations and associated durations specified in STC 5.16.a, regardless of the delivery system through which these populations receive Medicaid benefits. For individuals that qualify for 12 months of continuous eligibility, the continuous eligibility period begins on the effective date of the individual's eligibility under 42 CFR 435.915, or the effective date of the most recent renewal of eligibility. Given individuals are continuously eligible regardless of changes in circumstances (except as provided under STC 5.16.c), the state will conduct renewals of eligibility consistent with 42 CFR 435.916 for individuals who qualify for 12 months of continuous eligibility at the end of the individual's continuous eligibility period. The state will continue to redetermine eligibility during a period of continuous eligibility in limited circumstances, if appropriate, as described in STC 5.16.c.
- c. **Exceptions.** Notwithstanding STC 5.16.b, if any of the following circumstances occur during an individual's designated continuous eligibility period, the individual's Medicaid eligibility shall be re-determined or terminated:
 - i. The individual is no longer a New Jersey resident;
 - ii. The individual requests termination of eligibility;
 - iii. The individual dies; or
 - iv. The agency determines that eligibility was erroneously granted at the most recent determination, redetermination, or renewal of eligibility because of agency error or fraud, abuse, or perjury attributed to the individual.
- d. **Beneficiary-Reported Information and Periodic Data Checks.** The state must have procedures designed to ensure that beneficiaries can make timely and accurate reports of any change in circumstances that may affect their eligibility as outlined in

this demonstration, such as a change in state residency, and are able to report other information potentially relevant to the state's implementation or monitoring and evaluation of this demonstration, such as changes in income. The beneficiary must be able to report this information through any of the modes of submission available at application (online, in person, by telephone, or by mail).

Additionally, the state must redetermine eligibility if the state receives information that indicates a change in state residency or that the individual is deceased, verifying the change consistent with 42 CFR 435.916(d) and in accordance with 42 CFR 435.940 through 435.960 and the state's verification plan developed under 42 CFR 435.945(j).

As part of a deliverable titled New Initiatives Implementation Plan (see STC 12.5), the state must submit a description of the processes to perform the verifications described above. Furthermore, the state is required to provide CMS a narrative update annually on the processes it conducted and a summary of its findings regarding the successes and challenges in conducting such verifications. This information shall be provided in the demonstration's Annual Monitoring Reports (see STC 12.8).

- 5.17. **Behavioral Health Promoting Interoperability Program (BH PIP).** The state may claim as allowable expenditures, up to \$6 million (total computable) for five years, payments to incentivize health information technology (HIT) use. Incentive payments for Medicaid providers support the state's goals of expanding HIT use, increasing New Jersey' health information exchange (HIE) connectivity, and assisting providers with improving beneficiary outcomes and reducing disparities through the use of HIE tools.
- a. **Eligibility.** Behavioral health facilities that are eligible to receive incentive payments to purchase tools are limited to those whose Medicaid patient volume is at least 20% (CHIP does not count toward the Medicaid patient volume criteria).
 - b. **Reporting.** The state will report on the activities of the BH PIP in the Annual Monitoring Reports (see STC 12.8). The state will report the amount and types of providers participating, the amount of funding given to providers, and an annual update of how the incentive is helping New Jersey move its data systems forward. For example, one update would include how many providers statewide are connected to the New Jersey HIE. All expenditures must be reported as specified in STC 14.2.
 - c. **BH PIP Incentive Payment Protocol.** The BH PIP Incentive Payment Protocol establishes rules and guidelines for participation as well as how the state will claim FFP for incentive payments. The approved BH PIP Incentive Payment Protocol will be appended into these STCs as Attachment P. The state must submit the BH PIP Incentive Payment Protocol to CMS for approval. CMS and New Jersey will work collaboratively with the expectation of CMS approval of the protocol within 120 calendar days after it receives the protocol. The state cannot claim FFP for any incentive payments until the BH PIP Incentive Payment Protocol has been submitted

to and approved by CMS, but once approved, payments may be claimed retroactively to the beginning of the demonstration approval period.

- d. **Payments.** The state will pay providers directly, and payments to BH facilities will not be included in managed care capitation rates. Payments cannot duplicate reimbursement for provider activities already reimbursed by managed care plans.
- e. **Unallowable Expenditures.** Under no circumstances, may the state receive FFP under this expenditure authority for provider incentive payments made to any facility that was previously included under the Health Information Technology for Economic and Clinical Health (HITECH) Act.
 - i. The BH PIP will be limited to providing incentives for BH facilities and not individual providers.

5.18. **Community Health Workers Pilot Program.** The state may claim as allowable expenditures up to \$5 million for each demonstration year over the course of the demonstration extension period to establish a Community Health Workers (CHW) Pilot program. The CHW program will build evidence-based programs that support health outcomes and addresses health disparities impacting communities within the state. Subject to CMS approval, the state will be required to submit a post-approval protocol within 90 days of implementation. Specific initiatives to be funded would be proposed and operationalized by the state's contracted MCOs, and approved by the state, subject to the restrictions described below.

- a. **Proposal Process.** In order to participate in this initiative, MCOs must submit a proposal to the state that at a minimum includes the following elements:
 - 1. Population of individuals to be targeted, along with a description of how these individuals will be identified using available data sources. Proposals must target Medicaid or CHIP beneficiaries enrolled in the MCO who have been diagnosed with or are at risk for a specific chronic condition, such as asthma, diabetes, depression, or HIV. The pilot may have a cap on enrollment, and may be limited to certain geographies within the state or to patients of certain providers participating in the pilot.
 - 2. A detailed description of the intervention, including detail around the specific patient education, care management, or other related tasks the CHWs will perform, and how the initiative will be aligned with and/or be integrated into the larger health care delivery system.
 - 3. A detailed description on implementation timeline and the scope of benefits and services available to eligible Medicaid enrollees. The initiatives may not be approved unless the proposal clearly demonstrates an implementation period of 36 – 42 months, such that the pilot program can provide performance data and evidence over a span of time.

4. A set of implementation and/or quality improvement milestones the MCO expects to meet for each year of the initiative.
5. A description of the impacts expected from the intervention, expressed in terms of specific quantitative metrics of patient utilization, health expenditures, processes or outcomes of care, or patient experience of care. To the extent possible, MCOs should define expected quality impacts using metrics from the core sets of health care quality measures for Medicaid enrollees. The selection of metrics must also align with the milestones identified for the initiatives, per STC 5.18.a.4.
6. A description of the control or comparison group that will be used for the purposes of evaluating the impact of the proposed program. Randomized control groups must be used wherever feasible. The proposals must also include plans for making all applicable data available for pre- and post-implementation of the pilots.
7. An identification of how the proposed intervention could be scaled to the broader Medicaid and/or CHIP population, if the pilot successfully achieves its cost, quality, and/or patient experience objectives. This must include identification of specific potential Medicaid authorities that could be used to scale the proposal.
8. A detailed budget of expenses associated with the implementation of the proposal.
9. Each pilot initiative must be evaluated by an independent third-party evaluator (the state's demonstration evaluator). The pilot proposal must provide clear information on how the MCOs will make all applicable and relevant data available to the independent evaluator for this purpose.
 - (i) The evaluation must be conducted focusing on each pilot separately but also is expected to contextualize observed beneficiary outcomes within the scope of how the broader demonstration program components affect beneficiary outcomes.
 - (ii) The state must set up the contract with the demonstration's independent evaluator such that the independent entity is involved in the review process of the pilot proposals from the perspective of viability for gathering robust evidence. The evaluator should review the discussion of milestones, goals, proposed performance metrics, evaluation measures, availability of data, and other aspects (such as control or comparison groups) to assure comprehensive implementation, outcomes, and impact evaluations of the pilots.

10. The state shall review all MCO proposals, and approve only those that it judges to (a) be consistent with the goals of the Medicaid program, (b) be reasonably likely to lead to improvements in the quality, experience, and/or efficiency of member care, (c) have a viable path to expansion if successful, and (d) be operationally feasible and financially viable.
 11. MCOs may only implement proposals that have been approved by the state. Once approved, MCOs must adhere to the terms of their proposal, which will be incorporated by reference into the MCO contract. Any changes to the initial proposal must be approved in writing by the state.
- b. **Expenditures.** Total statewide annual expenditures on the CHW pilot are limited to \$5 million.
- i. Expenditures for the CHW pilot must be separate and distinct payments to the applicable managed care plans. The state must ensure that expenditures related to this pilot are not factored into managed care capitation payments, services are not otherwise covered under the managed care contract, and that there is no duplication of funds.
 - ii. Payments to MCOs are contingent on continued compliance with all program requirements and all relevant state and federal laws and regulations.
- c. **Beneficiary Rights and Protections.**
- i. No Medicaid or CHIP beneficiary is entitled to receive services under or participate in the CHW pilot.
 - ii. No Medicaid or CHIP beneficiary is required to participate in the CHW pilot. A beneficiary's decision to decline to participate in the pilot may not in any way adversely affect their Medicaid or CHIP eligibility, their enrollment in their MCO, or their ability to access any services to which they are entitled.
 - iii. Services offered under the demonstration may not duplicate or replace services to which beneficiaries are entitled.
 - iv. MCOs must provide all beneficiaries included in the pilot with advance written notification of their potential participation. This notification must describe the program, describe the extent and nature of the beneficiary's potential participation, make clear that participation is voluntary, including specific instructions on how beneficiaries may opt out. Notifications must be pre-submitted to the state for review and approval.
 - v. The MCOs shall also inform beneficiaries that data on their participation and associated healthcare utilization will be assessed for effectiveness of the pilots. Eligible beneficiaries shall also be informed that they may be randomly selected for participating in beneficiary surveys and/or focus groups.

d. Post-Approval Protocol.

- i. After receiving, and giving preliminary approval to MCO proposals, the state shall submit to CMS a post-approval CHW Pilot protocol, that will include the following elements:
 1. Overall summary of preliminarily approved CHW pilot proposals, documented at individual proposal/initiative-level, including milestones for payment, and linkage to attainment of performance metrics thresholds as outlined in STC 5.18 (b).
 2. Description of individualized monitoring and evaluation strategies for each approved proposal, including assessment on the strength and limitations of those strategies from the state's independent evaluator(s).
 3. In the event that the state short-lists more than one proposal from one MCO, the proposals must outline how funding will be linked to performance on distinct sets of metrics, aligned with initiative-specific milestones.
 4. Copies of all preliminarily approved MCO proposals.
 5. Draft MCO contract language incorporating MCO proposals by reference (but payment must be separate and distinct from managed care capitation for this pilot).
 6. No expenditures may be made under this provision, until the post-approval protocol has been received for review and approved by CMS.

e. Monitoring and Evaluation

- i. As part of its annual demonstration monitoring reports, the state shall report on achievement of milestones, payments, number of beneficiaries served, and other relevant information for each approved MCO initiative.
- ii. An independent entity must evaluate each pilot initiative, and shall be involved from early in the process.

5.19. Caregiver Supports Program. The state may provide counseling services for individuals serving as unpaid caregivers to assist the caregiver in meeting the care needs of an individual receiving MLTSS to continue to support the individual's independence and/or expand the individual's participation in the community. Services will include individual and/or facilitated peer group counseling through licensed behavioral health provider under contract with the MCO. Caregivers may receive unlimited counseling sessions as needed. Services will be subject to regular review (quarterly through the plan of care) by the MCO to determine the continued appropriateness for the need of services.

- a. Eligibility: For a caregiver to be eligible for counseling services, the caregiver must:
 - i. Provide caregiver services to a MLTSS individual for at least ten hours a week.

- ii. Receive a recommendation by the MCO (as part of plan of care development) as in need of counseling services to continue to support the member’s independence and/or expand the member’s participation in the community.
- iii. The caregiver must attest they do not have any third-party coverage that would cover the counseling services.

6. OPIOID USE DISORDER/SUBSTANCE USE DISORDER PROGRAM

6.1. Opioid Use Disorder (OUD)/Substance Use Disorder (SUD) Program. Under this demonstration component, New Jersey Medicaid recipients will continue to have access to high-quality, evidence-based OUD and other SUD treatment services including services provided in residential and inpatient treatment settings that qualify as an IMD, which are not otherwise reimbursable expenditures under Section 1903 of the Act. The state will continue to be eligible to receive FFP for Medicaid beneficiaries residing in IMDs under the terms of this demonstration for coverage of medical assistance, including OUD/SUD benefits that would otherwise be reimbursable if the beneficiary were not residing in an IMD. The state will continue to aim for a statewide average length of stay of 30 days or less in residential treatment settings, to be monitored pursuant to the SUD Monitoring Protocol as outlined in STC 12.7, to ensure short-term residential treatment stays.

The coverage of OUD/SUD, as outlined in the table below, reflect a continuum of care that ensures Medicaid recipients can enter SUD treatment at a level appropriate to their needs and step up or down to a different intensity of treatment based on their responses. The American Society of Addiction Medicine (ASAM) Criteria Assessment shall continue to be used for all beneficiaries to determine placement into the appropriate level of care. Room and board costs are not considered allowable costs for residential treatment service providers unless they qualify as inpatient facilities under Section 1905(a) of the Act.

As is currently the case, New Jersey FamilyCare anticipates the Division of Mental Health and Addiction Services, which is the single state authority on SUD services, will continue to fund primary prevention efforts, including education campaigns and community prevention coalitions. Intervention and initial treatment will be available to New Jersey FamilyCare members, as described below, in a number of different settings (as set forth herein) and allow for a bio-psycho-social clinical assessment, based on the ASAM principles, to gain an understanding of addiction severity, co-occurring mental health issues and trauma, physical health issues, family and social supports, housing stability, and other issues.

Table B: New Jersey OUD/SUD Benefits Coverage with Expenditure Authority

SUD Benefit	Medicaid Authority	Expenditure Authority
Early Intervention (Screening, Brief Intervention and Referral to Treatment)	State plan (Individual	

	services covered)	
Outpatient Services	State plan (Individual services covered)	
Intensive Outpatient Services	State plan (Individual services covered)	
Partial Care Services	State plan (Individual services covered)	
Residential Treatment	State plan (Individual services covered)	Services provided to individuals in IMDs
Withdrawal Management	State plan	Services provided to individuals in IMDs
Medication-Assisted Treatment (MAT)	State plan	Services provided to individuals in IMDs
Peer Support (including Parent/Family Peer Support)	State plan	
Care Management	State plan	

- a. **SUD Program Requirements.** The following requirements that reflect key goals and objectives of this SUD project apply to this demonstration:
- b. **Access to Critical Levels of Care for OUD and other SUDs.** Coverage of OUD/SUD treatment services across a comprehensive continuum of care including: outpatient; intensive outpatient; medication assisted treatment (medication as well as counseling and other services with sufficient provider capacity to meet the needs of Medicaid beneficiaries in the state); intensive levels of care in residential and inpatient settings; and medically supervised withdrawal management.
- c. **Use of Evidence-based SUD-specific Patient Placement Criteria.** Providers will assess treatment needs based on SUD-specific, multidimensional assessment tools, such as the ASAM Criteria or other assessment and placement tools that reflect evidence-based clinical treatment guidelines.
- d. **Patient Placement.** The state will continue to employ a utilization management approach, in accordance with state law, such that beneficiaries have access to SUD

services at the appropriate level of care and that the interventions are appropriate for the diagnosis and level of care, including an independent process for reviewing placement in residential treatment settings.

- e. **Use of Nationally Recognized SUD-specific Program Standards to set Provider Qualifications for Residential Treatment Facilities.** Residential treatment providers must align with the program standards in the ASAM Criteria or other nationally recognized, SUD-specific program standards regarding in particular the types of services, hours of clinical care, and credentials of staff for residential treatment settings. Residential treatment providers must also be in compliance with state licensure requirements for substance use disorder treatment programs.
- f. **Standards of Care for Residential Treatment Settings.** The state will review residential treatment providers to ensure that providers deliver care consistent with the specifications in the ASAM Criteria or other comparable, nationally recognized SUD program standards based on evidence-based clinical treatment guidelines for types of services, hours of clinical care, and credentials of staff for residential treatment settings.
- g. **Standards of Care for Medication Assisted Treatment.** Residential treatment providers must offer MAT on-site or facilitate access to MAT off-site.
- h. **Sufficient Provider Capacity at each Level of Care including Medication Assisted Treatment for SUD/ODU.** The state must ensure sufficient provider capacity in the critical levels of care throughout the state, including those that offer MAT.
- i. **Improved Care Coordination and Transitions between levels of care.** The state will continue to ensure residential and inpatient facilities link beneficiaries with community-based services and supports following stays in these facilities.
- j. **SUD Health IT Plan.** Implementation of the milestones and metrics as detailed in STC 6.2.b and Attachment E.

6.2. **SUD Health Information Technology Plan (“SUD Health IT Plan”).** The SUD Health IT Plan applies to all states where the health IT functionalities are expected to impact beneficiaries within the demonstration. As outlined in SMDL #17-003, states must submit to CMS the applicable SUD Health IT Plan(s), to be included within the approved SUD Implementation Plan as Attachment E to the STCs, to develop infrastructure and capabilities consistent with the requirements outline in each demonstration type.

- a. The SUD Health IT Plan must detail the necessary health IT capabilities in plan to support beneficiary health outcomes to address the SUD goals of the demonstration. The SUD Health IT Plan(s) will also be used to identify areas of health IT ecosystem improvement. The SUD Health IT Plan must include implementation milestones and projected dates for achieving them (see Attachment E), and must be aligned with

the state’s broader Medicaid Health IT Plan (SMHP) and, if applicable, the state’s SMI IT Health Plan.

- b. The state must include in its Monitoring Protocol (see STC 12.7) an approach to monitoring its SUD Health IT Plan which will include performance metrics to be approved in advance by CMS.
- c. The state will monitor progress, each DY, on the implementation of its SUD Health IT Plan in relationship to its milestones and timelines – and report on its progress to CMS in an addendum to its Annual Report (see STC 12.8).
- d. As applicable, the state should advance the standards identified in the ‘Interoperability Standards Advisory – Best Available Standards and Implementation Specifications’ (ISA) in developing and implementing the state’s SUD health IT policies and all related applicable state procurements (e.g., including managed care contracts) that are associated with this demonstration.
- e. Where there are opportunities at the state- and provider-level to leverage federal funds associated with a standard not already referenced in 45 CFR 170, but included in the ISA, the state should use the federally-recognized ISA standards, barring no other compelling state interest.
- f. Components of the SUD Health IT Plan include:
 - i. The SUD Health IT Plan must describe the state’s goals, each DY, to enhance the state’s prescription drug monitoring program’s (PDMP)¹
 - ii. The SUD Health IT Plan must address how the state’s PDMP will enhance ease of use for prescribers and other state and federal stakeholders.² This must also include plans to include PDMP interoperability with a statewide, regional or local HIE. Additionally, the SUD Health IT Plan must describe ways in which the state will support clinicians in consulting the PDMP reviewing the patients’ history of controlled substance prescriptions prior to the issuance of a Controlled Substance Schedule II (CSII) opioid prescription.
 - iii. The SUD Health IT Plan will, as applicable, describe the state’s capabilities to leverage a master patient index (or master data management service, etc.) in support of SUD care delivery. Additionally, the SUD Health IT Plan must describe current and future capabilities regarding PDMP queries—and the state’s ability to properly match patients receiving opioid prescriptions with patients in the PDMP. The state will also indicate current efforts or plans to

¹ Prescription drug monitoring programs (PDMP) are electronic databases that track controlled substance prescriptions in states. PDMPs can provide health authorities timely information about prescribing and patient behaviors that contribute to the “opioid” epidemic and facilitate a nimble and targeted response.

² *Ibid.*

develop and/or utilize current patient index capability that supports the programmatic objectives of the demonstration.

- iv. The SUD Health IT Plan will describe how the activities described in STC 6.3 (a) through (e) above will support broader state and federal efforts to diminish the likelihood of long-term opioid use directly correlated to clinician prescribing patterns.³
- v. The SUD Health IT Plan will describe the state’s current and future capabilities to support providers implementing or expanding Health IT functionality in the following areas: 1) Referrals, 2) Electronic care plans and medical records, 3) Consent, 4) Interoperability, 5) Telehealth, 6) Alerting/analytics, and 7) Identity management.
- vi. In developing the Health IT Plan, states shall use the following resources.
- vii. States may use resources at Health IT.Gov (<https://www.healthit.gov/topic/behavioral-health>) including but not limited to “Behavioral Health and Physical Health Integration” and “Section 34: Opioid Epidemic and Health IT” (<https://www.healthit.gov/playbook/health-information-exchange/>).
- viii. States may also use the CMS 1115 Health IT resources available on “Medicaid Program Alignment with State Systems to Advance HIT, HIE and Interoperability” at <https://www.medicaid.gov/medicaid/data-and-systems/hie/index.html>. States should review the “1115 Health IT Toolkit” for health IT considerations in conducting an assessment and developing their Health IT Plans.
- ix. States may request from CMS technical assistance to conduct an assessment and develop plans to ensure they have the specific health IT infrastructure with regards to PDMP plans, electronic care plan sharing, care coordination, and behavioral health-physical health integration, to meet the goals of the demonstration.

6.3. Unallowable Expenditures Under the SUD Expenditure Authority. In addition to the other unallowable costs and caveats already outlined in these STCs, the state may not receive FFP under any expenditure authority approved under the SUD expenditure authority for any of the following:

- a. Room and board costs for residential treatment service providers unless they qualify as inpatient facilities under Section 1905(a) of the Act.

³ Shah, Anuj, Corey Hayes and Bradley Martin. *Characteristics of Initial Prescription Episodes and Likelihood of Long-Term Opioid Use — United States, 2006–2015*. MMWR Morb Mortal Wkly Rep 2017;66.

7. COST SHARING

- 7.1. **Cost Sharing.** Cost sharing imposed upon individuals enrolled in the demonstration is consistent with the provisions of the approved state plan. There is no cost sharing for Medicaid. Children enrolled in CHIP with family income between 150-350% FPL are required to pay co-payments. All cost sharing for state plan populations must be in compliance with Medicaid and CHIP requirements that are set forth in statute, regulation and polices. In addition, aggregate cost sharing imposed on any individual adult demonstration participant on an annual basis must be limited to five percent of the individual's aggregate family income

8. TITLE XXI PREMIUM SUPPORT PROGRAM (PSP)

- 8.1. **Program Overview.** The PSP is designed to cover individuals eligible for NJFC who have access to cost effective employer-sponsored health plans. Some uninsured families have access to health insurance coverage through an employer, but have not purchased the coverage because they cannot afford the premiums. Assistance is provided in the form of a direct reimbursement to the employee for the dependents premium deduction, required for participation in the employer-sponsored health insurance plan. Employed parents are reimbursed on a regular schedule, to coincide with their employer's payroll deduction, so as to minimize any adverse financial impact on the employee. Unless otherwise specified in these STCs, all processes for eligibility, enrollment, redeterminations, terminations, appeals, etc. must comply with federal law and regulations governing Medicaid and CHIP.
- a. **Eligibility Requirements:** Parents and/or their children must be determined eligible for NJFC Plan B, C, or D in order to participate in the PSP. If the PSP unit determines that the parents have a cost-effective employer-sponsored plan available to them, the PSP will reimburse the premiums for the eligible family members only if it is cost-effective in the aggregate.
 - b. **Benefit Package:** NJ's FamilyCare Plan D mirrors the benchmark health plan offered through an HMO with the largest commercial, non-Medicaid enrollment in the state. If the employer's health plan is not equal to Plan D, then the state provides wraparound services for children and adults through Medicaid fee-for-service (Dental and Vision). "Wraparound service" means any service that is not covered by the enrollee's employer plan that is an eligible service covered by NJFC for the enrollee's category of eligibility.
- 8.2. **Process for Benefit Analysis:** If an uninsured parent has access to employer-sponsored insurance, the PSP Unit evaluates the application and assesses the employer's plan and a description of the benefits covered by the employer's plan. The PSP reviews the employer's response and compares the services to NJFC services, taking into account any limitations on coverage.
- 8.3. **Cost Sharing:** Premiums and co-payments vary under employer-sponsored plans regardless of FPL, but cost sharing is capped at 5 percent of the individual or family's

gross income. This protection applies equally to parents enrolled in NJFC Plan B, C, or D and to parents enrolled in an employer-sponsored plan through the PSP.

- a. The PSP will reimburse the beneficiary for the difference between the NJFC/PSP co-payment amount and that of the employer-sponsored plan co-payment amount. For example, if the NJFC/PSP co-payment amount for a physician's office visit is \$5.00 and the employer-sponsored plan co-pay charge is \$15.00 for the same service, the PSP will reimburse the beneficiary the difference in excess of the NJFC/PSP co-payment amount (\$10.00).
- b. If the PSP participant makes an out-of-pocket payment after the 5 percent limit is reached, any additional charges submitted to the PSP for the remainder of the calendar year are reimbursed at 100 percent as long as the parent submits proof of additional expenses.

8.4. **Employer Contribution:** Each plan must provide an employer contribution amount as required under 2105(c)(3). The amount will not be specified by the state and can vary by plan. The contribution amount may range from 20 percent to 100 percent.

8.5. **Cost-Effectiveness Test**

- a. Cost-effectiveness must be determined in the aggregate by comparing the cost of all eligible family members' participation in the NJFC program against the total cost to the state, including administrative costs, (e.g. Office of Premium Support and Office of Information Technology staff, as well as phone, postage, computers, and printers), of reimbursing eligible members for their employer-sponsored insurance. The amounts used for the calculations must be derived from actuarial tables used by the NJFC program and actual costs reported by the employee/employer during the processing of the Premium Support Program (PSP) application.
- b. The cost of the employer-sponsored plans must be determined by totaling the amount of the employee's premiums plus the actuarial value of all "wraparound" services, if applicable, minus any NJFC premium contributions owed the state under the CHIP state plan.
- c. As a condition of PSP approval, the result of the cost-effectiveness test in the aggregate must indicate a cost savings difference of, at a minimum, five percent between what the state would pay for the beneficiaries' participation in the employer-sponsored health plan vs. what the state would pay for their participation in the NJFC program alone.
- d. If the employer-sponsored plans are determined by the Division to be cost-effective in the aggregate in accordance with (i) above, the applicant is advised of this and participation in the PSP is further assessed for NJFC eligibles. If the employer-sponsored plan is determined not cost-effective, in accordance with (i) above, the beneficiary will continue to participate solely in the NJFC program.

9. DELIVERY SYSTEM

- 9.1. **Overview.** This demonstration allows the state to mandate mandatory enrollment into managed care to receive certain benefits. Some services, including certain Family Planning services, behavioral health services and HCBS services may be provided FFS. This section describes how the state operates the various delivery systems and specific requirements for the implementation programs authorized under this demonstration. Benefits are delivered through the following delivery systems:
- a. Fee-for-Service;
 - b. Primary Managed Care Organization;
 - c. Managed Long Term Services and Supports; and
 - d. Administrative Services Organization
- 9.2. **HCBS Fee-for-Service Programs.** HCBS services are provided FFS for the following demonstration programs as described in Attachment C. Enrollees are allowed to be enrolled in one of the HCBS FFS program at a time, unless otherwise specified in these STCs:
- a. Supports Program
 - b. Children Supports Services Program SED
 - c. Children Supports Services Program I/DD
 - d. Community Care Program
- 9.3. **Provider Credentialing.** The provider credentialing criteria are included for each separate HCBS service as outlined in Attachment C. To assure the health and welfare of the demonstration participants, the state verifies that providers initially and continually meet required licensure and/or certification standards and adhere to other standards prior to furnishing services. The state also monitors non-licensed/non-certified providers to assure adherence to other standards prior to their furnishing services.
- 9.4. **Non-duplication of Services.** HCBS will not duplicate services included in an enrollee's Individualized Education Program under the Individuals with Disabilities Education Act, or services provided under the Rehabilitation Act of 1973.
- 9.5. **Managed Care Delivery Systems.**
- a. **Compliance with Managed Care Requirements.** The state, its MCOs and any subcontractor delegated to perform activities under the managed care contract, must comply with all federal requirements, including but not limited to, the managed care regulations published in 42 CFR part 438, except as expressly waived or specified as not applicable to an expenditure authority. Capitation rates must be developed and

certified as actuarially sound, in accordance with federal requirements, including 42 CFR 438.4, 438.5 and 438.7. The following populations are excepted from mandatory enrollment in managed care:

American Indians and Alaskan Natives
Individuals with access to cost effective Student Health Insurance

- b. **Advisory Committee as required in 42 CFR 438.110.** The state must maintain for the duration of the demonstration a managed care advisory group comprised of individuals and interested parties impacted by the demonstration’s use of managed care, regarding the impact and effective implementation of these changes to seniors and persons with disabilities. Membership on this group must be periodically updated to ensure adequate representation of individuals receiving MLTSS.

9.6. **Additional Delivery System Requirements for HCBS and MLTSS Program.** In addition to the requirements described in STC 9.2, the following additional delivery system requirements apply to all the HCBS programs and MLTSS programs in this demonstration.

- a. **Administrative Authority.** There are multiple state agencies involved in the administration of the HCBS; therefore, the SSMA must maintain authority over the programs. The SMA must exercise appropriate monitoring and oversight over the state agencies involved, the MCO’s, and other contracted entities.
- b. **Electronic Visit Verification System.** The state will demonstrate compliance with the Electronic Visit Verification System (EVV) requirements for personal care services (PCS) by January 1, 2021 and home health services by January 1, 2023 in accordance with Section 12006 of the 21st Century CURES Act.
- c. **Home and Community-Based Characteristics.** Residential settings located in the community will provide members with the following:
 - i. Private or semi-private bedrooms including decisions associated with sharing a bedroom.
 - ii. All participants must be given an option to receive HCBS services in more than one residential setting appropriate to their needs.
 - iii. Private or semi-private bathrooms that include provisions for privacy.
 - iv. Common living areas and shared common space for interaction between participants, their guests, and other residents.
 - v. Enrollees must have access to a food storage or food pantry area at all times.
 - vi. Enrollees must be provided with an opportunity to make decisions about their day to day activities including visitors, when and what to eat, in their home and in the community.

- vii. Enrollees will be treated with respect, choose to wear their own clothing, have private space for their personal items, have privacy to visit with friends, family, be able to use a telephone with privacy, choose how and when to spend their free time, and have opportunities to participate in community activities of their choosing.
- viii. For participants involved with the Children's System of Care:
 1. Enrollees participate in identifying individuals that will be involved in the development of the plan of care
 2. Requires enrollees have the right to identify goals and the choice of providers and resources
 3. Requires that the enrollee is engaged as full-time partner in the child family team and participates in assessment, planning, and delivery of services
 4. The day to day activities are more structured and the milieu is designed to foster skill building as these are not assessed to be long term settings.
 5. There is a distinction between CSOC out of home settings and those for adults. Not all of the HCBS characteristics associated with adults in out of home settings are applicable and or appropriate/safe for youth. CSOC out of home is intended to be a time limited intervention that focuses on stabilization and skill building to provide the youth and family with the necessary support to successfully transition back into the home and community.
- d. **Critical Incident Management System.** The state must have policies and procedures in place through which providers must identify, report and investigate critical incidents that occur within the delivery of services. Provider contracts must reflect the requirements of this system. The state also has a system as well as policies and procedures in place through which to detect, report, investigate, and remediate abuse, neglect, and exploitation. Providers and participants must be educated about this system. Provider obligations must include specific action steps that providers must take in the event of known or suspected abuse, neglect or exploitation.
- e. The state must have a system as well as policies and procedures in place through which providers must identify, report and investigate critical incidents that occur within the delivery of HCBS/MLTSS. Provider contracts must reflect the requirements of this system. The state must also have a system as well as policies and procedures in place through which to detect, report, investigate, and remediate abuse, neglect, and exploitation described in herein. Providers and participants must be educated about this system. Provider obligations must include specific action steps that providers will take in the event of known or suspected abuse, neglect or exploitation. All known and substantiated incidents must be tracked and reported to CMS on a quarterly and annual basis.

- f. **Managed Care Grievance/Complaint System.** The MCO must operate a grievance/complaint system that affords participants the opportunity to register grievances or complaints concerning the provision of services.
- g. **Fair Hearings.** All enrollees must have access to the state fair hearing process as required by 42 CFR 431 Subpart E. In addition, the requirements governing MCO appeals and grievances in 42 CFR 438 Subpart F must apply.
- h. **Plan of Care (PoC).** A “Plan of Care” is a written plan designed to provide the demonstration enrollee with appropriate services and supports in accordance with his or her individual needs. For individuals receiving HCBS FFS under the demonstration, the state must ensure the individual will lead the person-centered planning process where possible, the service plan will encompass needed services and supports identified by the functional assessment with respects to the individuals preferences for service and support delivery, and the person-centered service plan will be reviewed and revised with reassessment of functional need at least annually, upon changes to the individual’s circumstances or needs, or at the request the individual, as outlined in 42 CFR 441.301(c)(1)-(3).
 - i. Individuals receiving MLTSS under the demonstration must have a PoC and will be provided services in accordance with their plan. The state must establish minimum guidelines regarding the PoC that will be reflected in contracts and/or provider agreements. These must include at a minimum: 1) a description of qualification for individuals who will develop the PoC; 2) PoC will be updated at least annually to document and address any changes in participants’ life circumstances and needs; 3) types of assessments; 4) how enrollees are informed of the services available to them; and 5) the MCOs’ responsibilities for implementing and monitoring the PoC.
 - ii. Each member’s PoC must include team-based Person-Centered Planning, which is a highly individualized and ongoing process to develop care plans that focus on the person’s abilities and preferences. Person-Centered Planning includes consideration of the current and unique bio-psycho-social and medical needs and history of the enrollee, as well as the person’s functional level, and support systems.
 - iii. The state or the MCO, for those enrolled in MLTSS will emphasize services provided in home and community-based settings, maximizing health and safety, whenever possible.
 - iv. Meetings related to the enrollee’s PoC will be held at a location, date, and time convenient to the enrollee and his/her invited participants.
 - v. A back-up plan must be developed and incorporated into the plan to assure that the needed assistance will be provided in the event that the regular services and supports identified in the PoC are temporarily unavailable. The back-up plan may include other assistance or agency services.

- vi. The state (not the MCOs) will be responsible for the PoC developed for each enrollee transitioning from an institutional setting to a community-based setting through the state's Money Follows the Person demonstration. The state will track transitioning enrollees to ensure services are received in a timely manner throughout the transitioning process.
 - vii. The state or the MCO for those enrolled in MLTSS must ensure that services are delivered in accordance with the PoC including the type, scope, amount and frequency.
 - viii. The state or the MCO, for those enrolled in MLTSS must ensure that enrollees have the choice of participating providers within the plan network as well as access to non-participating providers when the appropriate provider type is not on the MCO's network.
 - ix. Individuals served in I/DD programs must have the choice of institutional placements and community settings.
 - x. Each enrollee's PoC must be reviewed and updated annually at a minimum, or more frequently with individual circumstances as warranted.
- i. **Option for Participant Direction of certain HCBS and MLTSS.** NJFC participants who elect the self-direction opportunity must have the option to self-direct the HCBS or MLTSS, Participant direction affords NJFC participants the opportunity to have choice and control over how services are provided and who provides the service. Member participation in participant direction is voluntary, and members may participate in or withdraw from participant direction at any time.
 - j. The services, goods, and supports that a participant self-directs must be included in the calculations of the participant's budget. Participant's budget plans must reflect the plan for purchasing these needed services.
 - k. **Information and Assistance in Support of Participant Direction.** The state/MCO must have a support system that provides participants with information, training, counseling, and assistance, as needed or desired by each participant, to assist the participant to effectively direct and manage their self-directed services and budgets. Participants must be informed about self-directed care, including feasible alternatives, before electing the self-direction option. Participants must also have access to the support system throughout the time that they are self-directing their care. Support activities must include, but is not limited to Support for Participant Direction service which includes two components: Financial Management Services and Support Brokerage. Providers of Support for Participant Direction must carry out activities associated with both components. The Support for Participant Direction service provides assistance to participants who elect to self-direct their personal care services.
 - i. **Participant Direction by Representative.** The participant who self-directs the personal care service may appoint a volunteer designated representative to

assist with or perform employer responsibilities to the extent approved by the participant. CCP and Supports Program services may be directed by a legal representative of the participant when such services are deemed extraordinary care and in the best interest of the participant. Services may be directed by a non-legal representative freely chosen by an adult participant. Additional guardrails must be submitted to CMS for review and approval before the legal representative may direct CCP and Supports Program services, to be codified in a post-approval Attachment S to this demonstration.

- ii. **Independent Advocacy.** Each enrollee must have access to an independent advocate or advocacy system in the state. This function is performed by individuals or entities that do not provide direct services, perform assessments, or have monitoring, oversight or fiscal responsibilities for the demonstration. The plans will provide participants with information regarding independent advocacy such as the Ombudsman for Institutionalized Elderly and state staff who approved LOC determination and did options counseling.
- iii. **Participant Employer Authority.** The participant (or the participant’s representative) must have decision-making authority over workers who provide personal care services.
 1. **Participant/Common Law Employer.** The participant (or the participant’s representative) is the common law employer of workers who provide personal care services. An IRS-Approved Fiscal/Employer Agent functions as the participant’s agent in performing payroll and other employer responsibilities that are required by federal and state law. Supports are available to assist the participant in conducting employer-related functions.
 2. **Decision Making Authorities.** The participant exercises the following decision making authorities: Recruit staff, select staff, hire staff as common law employer, verify staff qualifications, specify additional staff qualifications based on participant needs and preferences, evaluate staff performance, verify time worked by staff and approve time sheets, and discharge staff.
1. **Disenrollment from Participant-Direction.** A participant may voluntarily disenroll from the self-directed option at any time and return to a traditional service delivery system. To the extent possible, the member must provide his/her provider ten (10) days advance notice regarding his/her intent to withdraw from participant direction. A participant may also be involuntarily disenrolled from the self-directed option for cause, if continued participation in the participant-directed services option would not permit the participant’s health, safety, or welfare needs to be met, or the participant demonstrates the inability to self-direct by consistently demonstrating a lack of ability to carry out the tasks needed to self-direct personal care services, or if there is fraudulent use of funds such as substantial evidence that a participant has falsified documents related to participant directed services. If a participant is terminated voluntarily or involuntarily from the self-directed service delivery option, the MCO

must transition the participant to the traditional agency direction option and must have safeguards in place to ensure continuity of services.

- m. **Appeals.** The following actions must be considered an adverse action under both 42 CFR 431 Subpart E (state fair hearing) and 42 CFR 438 Subpart F (MCO grievance process):
 - i. A reduction in services;
 - ii. A denial of a requested adjustment to the budget; or
 - iii. A reduction in amount of the budget.
- n. Participants may use either the state fair hearing process or the MCO appeal process to request reconsideration of these adverse actions.
- o. **Service Plan Reductions.** The state must review a sample of LTSS plans of care that includes a reduction, suspension, or termination in personal care and/or private duty nursing services for the first year to ensure that reductions, suspensions, and terminations were done appropriately. This review must include a determination of whether consistent with 42 CFR 438.420, enrollees were provided all appeal rights afforded through the CMS and state fair hearing process with the ability to continue services during the appeal.
- p. **Nursing Facility Diversion.** Each MCO, with assistance from the state, will develop and implement a “NF Diversion Plan” to include processes for enrollees receiving HCBS and enrollees at risk for NF placement, including short-term stays. The diversion plan will comply with requirements established by the state and be prior approved by the state, and CMS. The Plan will include a requirement for the MCOs to monitor hospitalizations and short-stay NF admission for at-risk enrollees, and identify issues and strategies to improve diversion outcomes.
- q. **Nursing Facility Transition to Community Plan.** Each MCO, with assistance from the state, will develop and implement a “NF to Community Transition Plan” for each enrollee placed in a NF when the enrollee can be safety transitioned to the community, and has requested transition to the community. The Plan will include a requirement for the MCOs to work with state entities overseeing services to older adults and other special populations utilizing NF services. Each MCO will have a process to identify NF residents with the ability and desire to transition to a community setting. MCOs will also be required to monitor hospitalizations, re-hospitalizations, and NF admissions to identify issues and implement strategies to improve enrollee outcomes.
- r. **Demonstration Participant Protections under MLTSS.** The state will assure that children, youth, and adults in MLTSS and HCBS programs are afforded linkages to protective services through all service entities, including the MCOs.

- i. The state will ensure that these linkages are in place before, during, and after the transition to MLTSS.
 - ii. The state/MCO's will develop and implement a process for community-based providers to conduct efficient, effective, and economical background checks on all prospective employees/providers with direct physical access to enrollees.
- s. **Institutional and Community-Based MLTSS.** The provisions related to institutional and community-based MLTSS are as follows:
- i. Enrollees receiving MLTSS will most often receive a cost-effective placement, which will usually be in a community environment.
 - ii. Enrollees receiving MLTSS will typically have costs limited/aligned to the annual expenditure associated with their LOC assessment (e.g. Hospital, Nursing Facility).
 - iii. Exceptions are permitted to the above provisions in situations where a) an enrollee is transitioning from institutional care to community-based placement; b) the enrollee experiences a change in health condition expected to last no more than six months that involve additional significant costs; c) special circumstances where the state determines an exception must be made to accommodate an enrollee's unique needs. The state will establish a review procedure to describe the criteria for exceptional service determinations between the state and the MCOs which must be approved by CMS.
 - iv. MCOs may require community-based placements, provided the enrollee's PoC provides for adequate and appropriate protections to assure the enrollee's health and safety.
 - v. If the estimated cost of providing the necessary community-based MLTSS to the enrollee exceeds the estimated cost of providing care in an institutional setting, the MCO may refuse to offer the community-based MLTSS. In this circumstance, individuals will be provided with a notice of decision with appeal rights. However, as described in (c) above, exceptions may be made in individual special circumstances where the state determines the enrollee's community costs must be permitted to exceed the institutional costs.
 - vi. If an enrollee whose community-based costs exceed the costs of institutional care refuses to live in an institutional setting and chooses to remain in a community-based setting, the enrollee and the MCO will complete a special risk assessment detailing the risks of the enrollee in remaining in a community-based setting, and outlining the safeguards that have been put in place. The risk assessment will include a detailed back-up plan to assure the health and safety of the enrollee under the cost cap that has been imposed by the state.

- vii. Nothing in these STCs relieves the state of its responsibility to comply with the Supreme Court *Olmstead* decision, and the Americans with Disabilities Act.
- t. **Care Coordination for MLTSS.** Care Coordination is services to assist enrollees in gaining access to needed demonstration and other services, regardless of the funding source. Care Coordinators are responsible for ongoing monitoring of the provision of services included in the PoC and assuring enrollee health and safety. Care Coordinators initiate the process to evaluate or re-evaluate the enrollee’s PoC, his or her level of care determination (where appropriate), and other service needs.
 - i. Integrated care coordination for physical health and MLTSS will be provided by the MCOs in a manner that is “conflict-free.”
 - ii. The state will establish a process for conflict free care coordination, to be approved by CMS that will include safeguards, such as separation of services and other structural requirements, state/enrollee oversight, and administrative review.
 - iii. Each MCO must also assign a Behavioral Health Administrator to develop processes to coordinate behavioral health care with physical health care and MLTSS, in collaboration with the care coordinators.
 - iv. The state will assure that there are standard, established timelines for initial contact, assessment, development of the PoC, the individual service agreement, and authorization and implementation of services between the state and the MCOs.
 - v. Care coordinators must monitor the adequacy and appropriateness of services provided through self-direction, and the adequacy of payment rates for self-directed services.

9.7. **Administrative Services Organizations (ASOs).** Coverage of behavioral health services will vary depending on population and level of care, with some services being provided via managed care and others on a FFS basis. The state will maintain a contract with one or more ASOs on a non-risk basis to support the provision of behavioral health services that are not part of the managed care delivery system. During the demonstration extension period, the state will review and phase in coverage of additional behavioral health services via managed care. The inclusion of additional behavioral health services within managed care will be undertaken after consultation with stakeholders, and will be governed by the provisions of the state’s MCO contract, changes to which are subject to approval by CMS.

- a. **Behavioral Health for Children.** Upon the effective date of this demonstration, children’s behavioral health services not included in the benefit package provided by the primary MCO may have their care coordinated by a behavioral health ASO.
 - i. The ASO must perform the following functions on behalf of the state:

- 1. 24/7 Call Center

2. Member services
3. Medical Management
4. Provide and manage MIS/EMR for Children's System of Care
5. Dispatch Mobile Response/Crisis Response
6. Clinical Phone Triage (performed by licensed clinicians)
7. Facilitate Needs Assessments
8. Clinical Reviews of Needs Assessments
9. Care Coordination
10. Intensity of Service Determinations
11. Treatment Plan Reviews
12. Prior Authorizations
13. Quality Monitoring in Coordination with DCF
14. Utilization Management
15. Data Sharing and Reporting
16. Grievance and Intensity of Service Dispute Resolution
17. Behavioral Health and Primary Health Coordination

ii. Excluded Children's ASO functions.

1. Provider Network Management
2. Claims payment
3. Rate Setting

b. **Behavioral Health for Adults.** Behavioral health services not included in the benefit package provided by the primary managed care organization may be coordinated by a behavioral health ASO.

c. **Functions of the Adult ASO.** The ASO must perform the following functions:

- i. 24/7 Call Center
- ii. Member services
- iii. Screening and assessment
- iv. Prior authorization
- v. Network management
- vi. Utilization management, including level of care determination and continuing care review
- vii. Care management
- viii. Medical management
- ix. Care coordination
- x. Quality management

- xi. Information technology
- xii. Data submission and reporting requirements
- xiii. Financial management, including claims processing and payment
- xiv. Development of care models and service arrays for consumers with intellectual and developmental disabilities; non-SNP dual eligibles (Medicare and Medicaid), and Medicaid expansion populations
- xv. Coordination with the MCOs regarding high-utilizing consumers and consumers screened with behavioral health/medical conditions.

d. **Duplication of Payment.** To avoid duplication of payment for services for demonstration participants who require behavioral health any services not covered by managed care (as defined by the CMS approved MCO contract) will be covered fee-for-service.

9.8. **Quality Improvement Strategy (QIS).** The state is expected to implement systems that measure and improve its performance to meet the waiver assurances set forth in 42 CFR 441.301 and 441.302. The Quality Review provides a comprehensive assessment of the state’s capacity to ensure adequate program oversight, detect and remediate compliance issues and assess the effectiveness of implemented quality improvement activities. For MLTSS services that could have been authorized to individuals under a 1915(c) waiver, the state’s Quality Assessment and Performance Improvement Plan must encompass LTSS specific measures set forth in the federal managed care rule at 42 CFR 438.330 and should also reflect how the state will assess and improve performance to demonstrate compliance with applicable federal waiver assurances set forth in 42 CFR 441.301 and 441.302.

- a. The state must have an approved QIS and is required to develop and measure performance indicators for the following waiver assurances:
 - i. **Administrative Authority:** A performance measure should be developed and track any authority that the SMA delegates to another agency, unless already captured in another performance measure.
 - ii. **Level of Care:** Performance measures are required for the following two sub-assurances: applicants with reasonable likelihood of needing services receive a level of care determination and the processes for determining level of care are followed as documented. While a performance measure for annual levels of care is not required to be reported, the state is expected to be sure that annual levels of care are determined.
 - iii. **Qualified Providers:** The state must have performance measures to track that providers meet licensure/certification standards, that non-certified providers are monitored to assure adherence to waiver requirements, and that the state verifies that training is given to providers in accordance with the waiver.
 - iv. **Service Plan:** The state must demonstrate it has designed and implemented an effective system for reviewing the adequacy of service plans for HCBS participants. Performance measures are required for choice of waiver services

and providers, service plans address all assessed needs and personal goals, and services are delivered in accordance with the service plan including the type, scope, amount, duration, and frequency specified in the service plan.

- v. **Health and Welfare:** The state must demonstrate it has designed and implemented an effective system for assuring HCBS participants health and welfare. The state must have performance measures tracking that on an ongoing basis it identifies, addresses and seeks to prevent instances of abuse, neglect, exploitation and unexplained death; that an incident management system is in place that effectively resolves incidents and prevents further singular incidents to the extent possible; that state policies and procedures for the use or prohibition of restrictive interventions are followed; and, that the state establishes overall health care standards and monitors those standards based on the responsibility of the service provider as stated in the approved demonstration.
- vi. **Financial Accountability:** The state must demonstrate that it has designed and implemented an adequate system for insuring financial accountability of the HCBS program. The state must have performance measures to track that it provides evidence that claims are coded and paid for in accordance with the reimbursement methodology specified in the approved demonstration and only for services rendered, and that it provides evidence that rates remain consistent with the approved rate methodology throughout the demonstration cycle.

For 1915(i)-like HCBS, the state must have an approved QIS and is required to develop performance measures to address the following requirements:

- vii. **Service plans:**
 - 1. address assessed needs of 1915(i) participants;
 - 2. are updated annually; and
 - 3. document choice of services and providers.
- viii. **Eligibility Requirements:** a) an evaluation for 1915(i) state plan HCBS eligibility is provided to all applicants for whom there is reasonable indication that 1915(i) services may be needed in the future; b) the processes and instruments described in the approved program for determining 1915(i) eligibility are applied appropriately; and c) the 1915(i) benefit eligibility of enrolled individuals is reevaluated at least annually or if more frequent, as specified in the approved program.
- ix. Providers meet required qualifications.
- x. Settings meet the home and community-based setting requirements as specified in the benefit and in accordance with 42 CFR 441.710(a)(1) and (2).
- xi. The SMA retains authority and responsibility for program operations and oversight.

- xii. The SMA maintains financial accountability through payment of claims for services that are authorized and furnished to 1915(i) participants by qualified providers.
- xiii. The state identifies, addresses, and seeks to prevent incidents of abuse, neglect, and exploitation.
- xiv. The state must also describe the process for systems improvement as a result of aggregated discovery and remediation activities.

The state must report annually report in conjunction with the Annual Monitoring Report described in STC 12.8 the actual number of unduplicated individuals served and the estimated number of individuals for the following year.

To demonstrate the assurances of STC 9.8 (a)(i)-(viii) above, the state must submit performance measures to CMS for review and approval within 90 days following approval of the demonstration extension.

The state will submit a report(s) to CMS following receipt of an Evidence Request letter and report template from the Division of HCBS Operations and Oversight (DHCBSO) no later than 21 months prior to the end of the approved demonstration period which includes evidence on the status of the HCBS quality assurances and measures for the 1915c and 1915i-like populations that adheres to the requirements outlined in the March 12, 2014, CMS Informational Bulletin, Modifications to Quality Measures and Reporting in §1915(c) Home and Community-Based Waivers. Following receipt of the state's evidence report(s), the DHCBSO will issue a DRAFT report(s) to the state and the state will have 90 days to respond. The DHCBSO will review and assess each evidentiary report(s) to determine whether the assurances and requirements have been met and will issue a final report to the state 60 days following receipt of the state's responses to the DRAFT report(s).

The state must submit in conjunction with the Annual Monitoring Report (see STC 12.8) the deficiencies found during the review, assessment, and reporting of the HCBS demonstration assurances and measures for the 1915(c) and 1915-like populations, an explanation of how these deficiencies have been or are being corrected, as well as the steps that have been taken to ensure that these deficiencies do not reoccur. The state must also report on the number of substantiated instances of abuse, neglect, exploitation and/or death, the actions taken regarding the incidents and how they were resolved.

In the event that CMS issues new guidance regarding 1915(c)/(i) reporting, the state must come into compliance and align measures and reporting requirements within the prescribed timeframe(s). These STCs will be updated to reflect any new regulatory and/or subregulatory requirements and citations.

- b. **Health and Welfare of Enrollees.** The state, or the MCO for MLTSS enrolled individuals, through an MCO contract, must be required on a continuous basis to identify,

address, and seek to prevent instances of abuse, neglect and exploitation through the Critical Incident Management System referenced in subparagraph E of this STC.

- c. **Demonstration Participant Protections.** The state will assure that children, youth, and adults in MLTSS and HCBS programs are afforded linkages to protective services (e.g., Ombudsman services, Protection and Advocacy, Division of Child Protection and Permanency) through all service entities, including the MCOs.
- i. The state will ensure that these linkages are in place before, during, and after the transition to MLTSS as applicable.
 - ii. The state/MCOs will develop and implement a process for community-based providers to conduct efficient, effective, and economical background checks on all prospective employees/providers with direct physical access to enrollees.

9.9. State Oversight of Medical Loss Ratio (MLR).

- a. For risk-based plans, the state must submit the plan-generated reports detailed in 42 CFR 438.8(k) as well as any other documentation used to determine compliance with 42 CFR. 438.8(k) to CMS at DMCPMLR@cms.hhs.gov.
 - i. For managed care plans that delegate risk to subcontractors, the state's review of compliance with 42 CFR 438.8(k) must consider MLR requirements related to such subcontractors; see <https://www.medicaid.gov/federal-policy-guidance/downloads/cib051919.pdf>. The state must submit its plan to operationalize STC 9.9(a) through (d) to CMS for review and approval at DMCPMLR@cms.hhs.gov no later than August 1, 2023. The plan must outline key deliverables and timelines to meet the requirements of STC 9.910.15.a through d.
- b. Effective July 1, 2024, the state must require risk-based plans contracted with the state to impose reporting requirements equivalent to the information required in 42 CFR 438.8(k) on their subcontractor plans or entities.
- c. No later than July 1, 2025, the state must require risk-based plans contracted with the state to impose remittance requirements equivalent to 42 CFR 438.8(j) on their subcontractor plans or entities.
- d. STC 9.9.a, 9.9.b, and 9.9.c must apply for all of the following entities:
 - i. Risk-based plans for which the state receives federal financial participation for associated expenditures;
 - ii. Full and partially delegated plans;

- iii. Other subcontractors, as applicable, that assume delegated risk from either the primary managed care plan contracted with the state, or plans referenced in STC 9.9.d.ii; and
 - iv. Other subcontractors, as applicable, that assume delegated risk from entities referenced in STC 9.9.d.iii.
- e. The state must work with CMS to effectuate an audit of the MLR data covering all years of this 1115 demonstration renewal package. The audit must occur no sooner than June 30, 2027, and ideally later in calendar year 2027 to allow the state time to review and finalize the state fiscal year 2027 MLRs.
- f. As HRSN (i.e., HRSN services defined in STC 10.2 for the covered populations outlined in STC 10.5) is included in risk-based capitation rates, HRSN services should be reported in the MLR reporting as incurred claims. Managed care plans should not report HRSN services in the MLR until after the transition to include HRSN services in risk-based capitation rates.
- g. The state must develop an MLR monitoring and oversight process specific to HRSN services. If the HRSN services are incorporated in the capitation rates using a phased approach, the process must explain the approach. This process must be submitted to CMS, for review and approval, no later than 60 days prior to the implementation of HRSN services in risk-based capitation rate. The state may submit this process to CMS at DMCPMLR@cms.hhs.gov. This process must specify how HRSN services will be identified for inclusion in capitation rate setting and in the MLR numerator. The state's plan must indicate how expenditures for HRSN administrative costs and infrastructure will be identified and reported in the MLR as non-claims costs.

10. HEALTH-RELATED SOCIAL NEEDS SERVICES

- 10.1. **Health-Related Social Needs (HRSN) Services.** The state may claim FFP for expenditures for certain qualifying HRSN services identified in Attachment F and this STC, subject to the restrictions described below, including Section 11. Expenditures are limited to expenditures for items and services not otherwise covered under Title XIX, but consistent with Medicaid demonstration objectives that enable the state to continue to increase the efficiency and quality of care. HRSN services must be clinically appropriate for the beneficiary and based on medical appropriateness using clinical and other health related-social needs criteria. The state is required to align clinical and health-related social criteria across services and with other non-Medicaid social support agencies, to the extent possible. The HRSN services may not supplant any other available funding sources such as housing or nutrition supports available to the beneficiary through local, state, or federal programs. The HRSN services will be the choice of the beneficiary; a beneficiary can opt out of HRSN services anytime; and the HRSN services do not absolve the state or its managed care plans of their responsibilities to provide required coverage for other medically necessary services. Under no circumstances will the state be permitted to condition Medicaid coverage, or coverage of any benefit or service, on receipt of HRSN

services. The state must submit additional details on covered services as outlined in STC 10.7 (Service Delivery) and Attachment F.

10.2. **Allowable HRSN services.** The state may cover the following HRSN services:

a. Housing supports, including:

- i. Medically necessary air conditioners, humidifiers, air filtration devices and asthma remediation, and refrigeration units as needed for medical treatment.
- ii. Medically necessary home modifications and remediation services such as accessibility ramps, handrails, grab bars, repairing or improving ventilation systems, and mold/pest remediation. (previously iv – remains in transition services).
- iii. Pre-tenancy services.
 1. Assistance with navigating the complexities of the housing application process through the progression of prospective tenant to tenant, including but not limited to, such as supporting the beneficiary when undergoing tenant screening, completing rental applications, negotiating lease agreements, and preparing for and attending tenant interviews.
 2. Assistance with the housing search and application process, including contacting prospective housing options for availability and information, as well as researching the availability of rental assistance.
- iv. Tenancy sustaining services, including tenant rights education and eviction prevention.
 1. Assistance in linking beneficiaries to free or affordable legal services for beneficiaries facing housing-related issues.
 2. Connecting the individual to available resources to assist in establishing a bank account and bill paying.
 3. Assistance in connecting the individual with social services to assist with filling out applications and appropriate documentation in order to obtain sources of income necessary for community living, establishing credit, and in understanding and meeting the obligations of tenancy.
 4. Assistance in addressing circumstances and/or behaviors that may jeopardize housing. This should include both direct interventions to address risks and connection of the beneficiary to relevant community resources that may offer assistance.
 5. Assistance in resolving disputes with landlords and/or neighbors to reduce risk of eviction or other adverse action.
 6. Assistance with housing recertification processes, including lease renewals and housing subsidy renewals.

- v. Housing transition navigation services, including
 - 1. Assistance with the set-up of the new housing unit, to address needs identified in the person-centered care plan, including clinically appropriate residential modifications to allow the beneficiary to move in and identified needs for assistance with arranging the move and supporting the details of the move, as appropriate.
 - 2. Connecting the individual to resources aiding with housing costs and other expenses, including linkages to rental assistance vouchers, security deposits, application fees, moving costs, non-medical transportation to tour units and attend tenant interviews, furnishings, adaptive aids, environmental modifications, and food and clothing needed at transition, and other related expenses.
 - 3. Provide a review of the living environment to ensure that it meets the clinical needs of the individual and appropriately support his/her medical needs is ready for move-in, including collaboration with relevant provider staff of where the individual is institutionalized (e.g. hospital or facility social worker) to ensure a seamless transition to the community.
- b. Case management, outreach, and education including linkages to other state and federal benefit programs, benefit program application assistance, and benefit program application fees.
- c. Nutrition Supports:
 - i. Nutrition counseling and education for MLTSS members, including on healthy meal preparation and connecting the individual with grocery budget resources.
 - ii. Medically-indicated home delivered meals to expectant individuals at risk of or diagnosed with diabetes.
 - iii. One-time transition costs including pantry stocking for any MLTSS eligible beneficiary who is transitioning from an institution to provide access to nutrition during the initial phase of transition into the community.
 - iv. Short-term (no more than 30 days) grocery provision, for an MLTSS beneficiary experiencing a significant disruption in the ability to obtain an adequate level of nutrition that would avoid an unnecessary emergency department visit, hospital admission, or institutional placement.
 - 1. Eligibility. The MLTSS beneficiary eligible for this benefit has been identified by the MCO as being at-risk due to an acute behavioral or physical health episode or due to clinical factors is unable to procure groceries on an emergency basis.

2. Benefit Guidelines.
 - a. The grocery benefit may only be used on purchases consistent with SNAP guidelines.
 - b. The grocery benefit will be capped at 200% of the Maximum Monthly USDA SNAP Allowance.
 - c. The benefit can be utilized no more than once per calendar year.
3. Transition. The state agrees it will work with the state SNAP agency and others to provide assistance to beneficiaries in enrolling with SNAP during the benefit period, where appropriate, and work with the beneficiary where appropriate to address lasting health or physical needs that lead to the disruption in nutrition.

10.3. HRSN Infrastructure.

- a. The state may claim FFP in infrastructure investments in order to support the development and implementation of HRSN services, subject to STC 10.1. This FFP will be available for the following activities:
 - i. Technology – e.g., electronic referral systems, shared data platforms, EHR modifications or integrations, screening tool and/or case management systems, databases/data warehouses, data analytics and reporting, data protections and privacy, accounting and billing systems.
 - ii. Development of business or operational practices – e.g., procurement and planning, developing policies and workflows for referral management, privacy, quality improvement, trauma-informed practices, evaluation, member navigation.
 - iii. Workforce development – e.g., cultural competency training, trauma-informed training, traditional health worker certification, training staff on new policies and procedures.
 - iv. Outreach, education, and stakeholder convening – e.g., design and production of outreach and education materials, translation, obtaining community input, investments in stakeholder convening.
- b. The state may claim FFP in HRSN infrastructure expenditures for no more than the annual amounts outlined in Table C. In the event that the state does not claim the full amount of FFP for a given demonstration year, the unspent amounts will roll over to one or more demonstration years not to exceed this demonstration period and the state may claim the remaining amount in a subsequent demonstration year.

Table C. Annual Limits of Total Computable Expenditures for HRSN Infrastructure

	DY12	DY13	DY14	DY15	DY16	DY17
Total Computable Expenditures	\$3.75M	\$15M	\$15M	\$15M	\$15M	\$15M

- c. Infrastructure investments will receive the applicable administrative match for the expenditure.
- d. This infrastructure funding is separate and distinct from the payment to the applicable managed care plans for delivery of HRSN services. The state must ensure that HRSN infrastructure expenditures described in STC 10.3(a) are not factored into managed care capitation payments, and that there is no duplication of funds.
- e. The state may not claim any FFP in HRSN infrastructure expenditures until the Protocol for HRSN Infrastructure and HRSN Services is approved, as described in STC 10.6. Once approved, the state can claim FFP in HRSN infrastructure expenditures retrospectively to the beginning of the demonstration approval date.
- f. To the extent the state requests any additional infrastructure funding, or changes to its scope as described within this STC, it must submit an amendment to the demonstration for CMS's consideration.

10.4. Excluded HRSN Services. Excluded items, services, and activities that are not covered as HRSN services include, but are not limited to:

- i. Construction costs (bricks and mortar) except as needed for approved medically-necessary home modifications as described in STC 10.2.a.ii.
- ii. Capital investments;
- iii. Room and board outside of specifically enumerated care or housing transitions or beyond 6 months;
- iv. Research grants and expenditures not related to monitoring and evaluation;
- v. Costs for services in prisons, correctional facilities or services for people who are civilly committed and unable to leave an institutional setting;
- vi. Services provided to individuals who are not lawfully present in the United States or are undocumented;
- vii. Expenditures that supplant services and activities funded by other state and federal governmental entities;

- viii. School based programs for children that supplant Medicaid state plan programs, or that are funded under the Department of Education or state, and the local education agency;
- ix. General workforce activities, not specifically linked to Medicaid or Medicaid beneficiaries; and
- x. Any other projects or activities not specifically approved by CMS as qualifying for demonstration coverage as a HRSN item or service under this demonstration.

10.5. **Covered Populations.** Expenditures for HRSN services may be made for the targeted populations specified below, consistent with this STC. To receive HRSN services, individuals in the target populations must have a documented medical need for the services and the services must be determined medically appropriate, as described in the HRSN Services Section in STC 10.2, for the documented need. Medical appropriateness must be based on clinical and health-related social risk factors. This determination must be documented in the beneficiary’s care plan or medical record. Additional detail on targeted populations, including the clinical and other health related-social needs criteria, is outlined in Attachment F.

- a. **Medically Indicated Meals Pilot Population.** Medical Meal Program will support up to 300 pregnant individuals per year by addressing dietary risk factors related to adverse perinatal outcomes, such as gestational diabetes.
- b. **Nutrition Support Population.** The Nutrition Support Program will support MLTSS individuals by providing food resources including one-time pantry stocking, short-term provision of groceries, and nutrition/skill education to support the individual to continue to remain in the community setting.
- c. **Tenancy/Housing Supports Population.** The Tenancy and Housing Supports Program will support Medicaid beneficiaries in accessing and transitioning to stable housing, such as those individuals transitioning from an institution to the community setting or who could potentially transition to the community, individuals being released from correctional facilities, individuals at risk of institutionalization who require a new housing arrangement to remain in the community, individuals who are transitioning out of high-risk or unstable housing situations, and individuals who meet one of the criteria established by the U.S. Department of Housing and Urban Development (HUD) in 24 CFR 91.5(1)(iii), or who are homeless or risk of becoming homeless as defined by 24 CFR 91.5(2) or (3).

10.6. **Protocol for Assessment of Beneficiary Eligibility and Needs, Infrastructure Planning, and Provider Qualifications for HRSN Services.** The state must submit, for CMS approval, a Protocol for Assessment of Beneficiary Eligibility and Needs, Infrastructure Planning, and Provider Qualifications to CMS no later than 90 days after approval of these authorities. The protocol(s) must include, as appropriate, a list of the HRSN services and service descriptions, the criteria for defining a medically appropriate

population for each service, the process by which that criteria will be applied including care plan requirements or other documented processes, proposed uses of HRSN infrastructure funds, and provider qualification criteria for each service. Each protocol may be submitted and approved separately. The state must resubmit an updated protocol, as required by CMS feedback on the initial submission. The protocol may be updated as details are changed or added. The state may not claim FFP in HRSN services or HRSN infrastructure expenditures until CMS approves the associated protocol, except as otherwise provided herein. Once the associated protocol is approved, the state can claim FFP in HRSN services and HRSN infrastructure expenditures retrospectively to the beginning of the demonstration approval date. The approved protocols will be appended to the STCs as Attachment F.

Specifically, the protocol must include the following information:

- a. Proposed uses of HRSN infrastructure expenditures, including the type of entities to receive funding, the intended purpose of the funding, the projected expenditure amounts, and an implementation timeline.
- b. A list of the covered HRSN services (not to exceed those allowed under STC 10.2), with associated service descriptions and service-specific provider qualification requirements.
- c. A description of the process for identifying beneficiaries with health-related social needs, including outlining beneficiary eligibility, implementation settings, screening tool selection, and rescreening approach and frequency, as applicable.
- d. A description of the process by which clinical criteria will be applied, including a description of the documented process wherein a provider, using their professional judgment, may deem the service to be medically appropriate.
 - i. Plan to identify medical appropriateness based on clinical and social risk factors.
 - ii. Plan to publicly maintain these clinical/social risk criteria to ensure transparency for beneficiaries and stakeholders.
- e. A description of the process for developing care plans based on assessment of need.
 - i. Plan to initiate care plans and closed-loop referrals to social services and community providers based on the outcomes of screening.
 - ii. Description of how the state will ensure that HRSN screening and service delivery are provided to beneficiaries in ways that are culturally responsive and/or trauma-informed.

10.7. Service Delivery:

- a. Terms applicable to all HRSN Services.
 - i. Any applicable HRSN 1115 services that are delivered by managed care plans must be included in the managed care contracts submitted to CMS for review and approval in accordance with 42 CFR 438.3(a).
 - ii. HRSN 1115 services may be paid on an FFS basis when provided by the state. HRSN 1115 services, when provided by a managed care plan, must be paid as

outlined below. The state must also comply with Section 10 for all HRSN services.

- b. In accordance with STC 10.13, CMS expects the state to have appropriate encounter data associated with each HRSN. This is necessary to ensure appropriate fiscal oversight for HRSN as well as monitoring and evaluation. This is also critical to ensure appropriate base data for Medicaid managed care rate development purposes as well as appropriate documentation for claims payment in both managed care and FFS. Therefore, CMS requires that for HRSN provided in a managed care delivery system, the state must include the name and definition of each HRSN as well as the coding to be used on claims and encounter data in the managed care plan contracts. For example, the state must note specific Healthcare Common Procedure Coding System (HCPCS) or Current Procedural Terminology costs that identify each HRSN. Additionally, for HRSN provided in an FFS delivery system, this information must be clearly documented for FFS providers. CMS will also consider this documentation necessary for approval of any rate methodologies per STC 10.14.

10.8. **Contracted Providers.** Consistent with the managed care contract and applicable to all HRSN services:

- a. Managed care plans will contract with HRSN service providers (“Contracted Providers”) to deliver the elected HRSN services authorized under the demonstration.
- b. Managed care plans must establish a network of providers and ensure the Contracted Providers have sufficient experience and training in the provision of the HRSN services being offered. Contracted Providers do not need to be licensed, however, staff offering services through Contracted Providers must be licensed when appropriate and applicable.
- c. The managed care plan and Contracted Provider must agree to a rate for the provision of applicable HRSN services, consistent with state guidance for these services, and in compliance with all related federal requirements.
 - i. Any state direction on the payment arrangement would be considered a state directed payment subject to the requirements in 42 CFR 438.6(c).

10.9. **Provider Network Capacity.** Managed care plans must ensure the HRSN services authorized under the demonstration are provided to eligible beneficiaries in a timely manner, and shall develop policies and procedures outlining its approach to managing provider shortages or other barriers to timely provision of the HRSN services, in accordance with the managed care plan contracts and other state Medicaid/operating agency guidance.

10.10. **Compliance with Federal Requirements.** The state shall ensure HRSN services are delivered in accordance with all applicable federal statute, regulation or guidance.

- 10.11. **Person Centered Plan.** The state shall ensure there is a person-centered service plan for each individual receiving HRSN services that is person-centered, identifies the member’s needs and individualized strategies and interventions for meeting those needs, and be developed in consultation with the member and the member’s chosen support network as appropriate. The service plan is reviewed and revised at least every 12 months, when the individual’s circumstances or needs change significantly, or at the request of the individual.
- 10.12. **Conflict of Interest.** The state shall ensure appropriate protections against conflicts of interest in the service planning. The state also agrees that appropriate separation of service planning and service provision functions are incorporated into the state conflict of interest policies.
- 10.13. **Medicaid Beneficiary Protections.** As part of the state’s submission of associated Medicaid managed care plan contracts to implement HRSN services through managed care, the state must provide documentation including, but not limited to:
- a. Beneficiary and plan protections, including but not limited to:
 - i. HRSN services must not be used to reduce, discourage, or jeopardize Medicaid beneficiaries’ access to Medicaid covered services.
 - ii. Medicaid beneficiaries always retain their right to receive the Medicaid covered service on the same terms as would apply if HRSN services were not an option.
 - iii. Medicaid beneficiaries who are offered or utilized an HRSN retain all right and protections afford under 42 CFR 438.
 - iv. Managed care plans are not permitted to deny a beneficiary a medically appropriate Medicaid covered service on the basis that they are currently receiving HRSN services, have requested those services, or have previously received these services.
 - v. Managed care plans are prohibited from requiring a beneficiary to utilize HRSN services.
 - b. Managed care plans must timely submit data requested by the state or CMS, including, but not limited to:
 - i. Data to evaluate the utilization and effectiveness of the HRSN services.
 - ii. Any data necessary to monitor health outcomes and quality of care metrics at the individual and aggregate level through encounter data and supplemental reporting on health outcomes and equity of care. When possible, metrics must be stratified by age, sex (including sexual orientation and gender identify), race, ethnicity, disability status and preferred language to inform health quality improvement efforts, which may thereby mitigate health disparities.

- iii. Any data necessary to monitor appeals and grievances for beneficiaries.
 - iv. Documentation to ensure appropriate clinical support for the medical appropriateness of HRSN services.
 - v. Any data determined necessary by the state or CMS to monitor and oversee the HRSN initiatives.
- c. All data and related documentation necessary to monitor and evaluate the HRSN services initiatives, including cost assessment, to include but not limited to:
- i. The managed care plans and the state must submit timely and accurate encounter data to the state for beneficiaries eligible for HRSN services. When possible, this encounter data must include data necessary for the state to stratify analyses by age, sex (including sexual orientation and gender identity), race, ethnicity, disability status and preferred language to inform health quality improvement efforts and subsequent efforts to mitigate health disparities undertaken by the state.
 - ii. Any additional information requested by CMS, the state or legally authorized oversight body to aid in on-going evaluation of the HRSN services or any independent assessment or analysis conducted by the state, CMS, or a legally authorized independent entity.
 - iii. The state must monitor and provide narrative updates through its Quarterly and Annual Monitoring Reports its progress in building and sustaining its partnership with existing housing agencies and nutrition agencies to utilize their expertise and existing housing resources and avoid duplication of efforts.
 - iv. Any additional information determined reasonable, appropriate and necessary by CMS.

10.14. **Rate Methodologies.** All rate and/or payment methodologies for authorized HRSN services outlined in these STCs must be submitted to CMS for review and approval prior to implementation, including but not limited to FFS payment as well as non-risk payments and capitation rates in managed care delivery systems, as part of the HRSN Implementation Plan (see STC 10.6) at least 60 days prior to implementation. States must submit all documentation requested by CMS, including but not limited to the payment rate methodology as well as other documentation and supporting information (e.g., state responses to Medicaid non-federal share financing questions). The state must also comply with the Public Notice Procedures set forth in 42 CFR 447.205 for changes in statewide methods and standards for setting FFS payment rates.

10.15. **Maintenance of Effort (MOE).** The state must maintain a baseline level of state funding for ongoing social services related to housing transition supports and nutrition supports for the duration of the demonstration, not including one time or non-recurring funding. Within 90 days of demonstration approval, the state will submit a plan to CMS as part of the New Initiatives Implementation Plan that specifies how the state will determine baseline spending on these services throughout the state. The annual MOE will be

reported and monitored as part of the Annual Monitoring Report described in STC 14.5, with any justifications, including declines in available state resources, necessary to describe the findings.

- 10.16. **Partnerships with State and Local Entities.** The state must have in place partnerships with other state and local entities (e.g., HUD Continuum of Care Program, local housing authority, SNAP state agency) to assist beneficiaries in obtaining non-Medicaid funded housing and nutrition supports, if available, upon the conclusion of temporary Medicaid payment for such supports, in alignment with beneficiary needs identified in the care plans as appropriate. The state will submit a plan to CMS as part of the HRSN Implementation Plan that outlines how it will put into place the necessary arrangements with other state and local entities and also work with those entities to assist beneficiaries in obtaining available non-Medicaid funded housing and nutrition supports upon conclusion of temporary Medicaid payment as stated above. The plan must provide a timeline for the activities outlined. As part of the Monitoring Reports described in STC 12.8, the state will provide the status of the state's fulfillment of its plan and progress relative to the timeline, and whether and to what extent the non-Medicaid funded supports are being accessed by beneficiaries as planned. Once the state's plan is fully implemented, the state may conclude its status updates in the Monitoring Reports.
- 10.17. **Provider Payment Rate Increase.** As a condition of the HRSN services and infrastructure expenditure authorities, New Jersey must comply with the provider rate increase requirements in Section 11 of the STCs.

11. PROVIDER PAYMENT RATE INCREASE REQUIREMENT

- 11.1. The provider payment rate increase requirements described hereafter is a condition for HRSN expenditure authority as referenced in Expenditure Authorities 8 and 9.
- 11.2. As a condition of approval and ongoing provision of FFP in HRSN expenditures over this demonstration period of performance, DY12 through DY17, the state will in accordance with these STCs increase and (at least) subsequently sustain Medicaid FFS provider base rates, and require any relevant Medicaid managed care plan to increase and (at least) subsequently sustain network provider payment rates, by at least two percentage points in the ratio of Medicaid to Medicare provider rates for one of the service categories that comprise the state's definition of primary care, behavioral health care, or obstetric care, as relevant, if the average Medicaid to Medicare provider payment rate ratio for a representative sample of these services for any of these three categories of services is below 80 percent. If the average Medicaid to Medicare provider payment rate ratio for a representative sample of these services for any of these three categories of services is below 80 percent for only the state's Medicaid fee-for-service program or only Medicaid managed care, the state shall only be required to increase provider payments for the delivery system for which the ratio is below 80 percent.
- 11.3. The state may not decrease provider payment rates for other Medicaid- or demonstration-covered services for the purpose of making state funds available to finance provider rate increases required under this STC (i.e., cost-shifting).

- 11.4. The state will, for the purposes of complying with these requirements to derive the Medicaid to Medicare provider payment rate ratio and to apply the rate increase as may be required under this STC, identify the applicable service codes and provider types for each of the primary care, behavioral health, and obstetric care services, as relevant, in a manner consistent with other state and federal Medicaid program requirements, except that inpatient behavioral health services may be excluded from the state's definition of behavioral health care services.
- 11.5. By June 30, 2023 and if the state makes FFS payments, the state must establish and report to CMS the state's average Medicaid to Medicare FFS provider rate ratio for each of the three service categories – primary care, behavioral health and obstetric care, using either of the methodologies below:
- a. Provide to CMS the average Medicaid to Medicare provider rate ratios for each of the three categories of services as these ratios are calculated for the state and the service category as noted in the following sources:
 - i. For primary care and obstetric care services, in Zuckerman, et al. 2021. "Medicaid Physician Fees Remained Substantially Below Fees Paid by Medicare in 2019." *Health Affairs* 40(2): 343–348 (Exhibit 3); and
 - ii. For behavioral health services, the category called, 'Psychotherapy' in Clemans-Cope, et al. 2022. "Medicaid Professional Fees for Treatment of Opioid Use Disorder Varied Widely Across States and Were Substantially Below Fees Paid by Medicare in 2021." *Substance Abuse Treatment, Prevention, and Policy* (2022) 17:49 (Table 3); OR
 - b. Provide to CMS for approval for any of the three service categories the average ratio, as well as the code sets, code level Medicaid utilization, Medicaid and Medicare rates, and other data used to calculate the ratio, and the methodology for the calculation of the ratio under this alternative approach as specified below:
 - i. Service codes must be representative of each service category as defined in STC 11.5(b).
 - ii. Medicaid and Medicare data must be from the same year and not older than 2019.
 - iii. The state's methodology for determining the year of data, the Medicaid code-level utilization, the service codes within the category, the geographic rate differentials for Medicaid and/or Medicare services and their incorporation into the determination of the category average rate, the selection of the same or similar Medicare service codes for comparison, and the timeframes of data and how alignment is ensured should be comprehensively discussed in the methodology as provided to CMS for approval.

- 11.6. To establish the state's ratio for each service category identified in STC 11.5(a) as it pertains to managed care plans' provider payment rates in the state, the state must provide to CMS either:
 - a. The average FFS ratio as provided in STC 11.5(a), if the state and CMS determine it to be a reasonable and appropriate estimate of, or proxy for, the average provider rates paid by managed care plans (e.g., where managed care plans in the state pay providers based on state plan FFS payment rate schedules); or
 - b. The data and methodology for any or all of the service categories as provided in STC 11.5.b using Medicaid managed care provider payment rate and utilization data.
- 11.7. In determining the ratios required under STC 11.5 and 11.6, the state may not incorporate FFS supplemental payments that the state made or plans to make to providers, or Medicaid managed care pass-through payments in accordance with 42 CFR 438.6(a) and 438.6(d).
- 11.8. If the state is required to increase provider payment rates for managed care plans per STC 11.2 and 11.3, the state must:
 - a. Comply with the requirements for state-directed payments in accordance with 42 CFR 438.6(c), as applicable; and
 - b. Ensure that the entirety of a two percentage point increase applied to the provider payment rates in the service category whose Medicaid to Medicare average payment rate ratio is below 80 percent is paid to providers, and none of such payment rate increase is retained by managed care plans.
- 11.9. For the entirety of DY14 through DY17, the provider payment rate increase for each service in the service category and delivery system for which the average ratio is less than 80 percent will be an amount necessary so that the Medicaid to Medicare ratio increases by two percentage points over the highest rate for each service in DY12, and such rate will be in effect on the first day of DY14. A required payment rate increase shall apply to all services in the service category as defined under STC 11.4.
- 11.10. If the state uses a managed care delivery system for any of the service categories defined in STC 11.4, for the beginning of the first rating period as defined in 42 CFR 438.2(a) that starts in each demonstration year from DY14 through DY17 the managed care plans' provider payment rate increase for each service in the affected category will be no lower than the highest rate in DY12 plus an amount necessary so that the Medicaid to Medicare ratio for that service increases by two percentage points. The payment rate increase shall apply to all services in a service category as defined under STC 11.4.
- 11.11. If the state has a biennial legislative session that requires provider payment rate approval and the timing of that session precludes the state from implementing a required payment rate increase by the first day of DY14 (or, as applicable, the first day of the first rating period that starts in DY14), the state will provide an alternative effective date and rationale for CMS review and approval.

- 11.12. The state will provide the information to document the payment rate ratio required under STC 11.5 and 11.6, via submission to the Performance Metrics Database and Analytics (PDMA) portal for CMS review and approval.
- 11.13. For demonstration years following the first year of provider payment rate increases, the state will provide an annual attestation within the state’s annual demonstration monitoring report that the provider payment rate increases subject to these STCs were at least sustained from, if not higher than, the previous year.
- 11.14. No later than June 30, 2023, the state will provide to CMS the following information and Attestation Table signed by the State Medicaid Director, or by the Director’s Chief Financial Officer (or equivalent position), to PMDA, along with a description of the state’s methodology and the state’s supporting data for establishing ratios for each of the three service categories in accordance with STC 11.5 and 11.6 for CMS review and approval, at which time the Attestation Table will be appended to the STCs as Attachment R:

New Jersey HRSN Related Provider Payment Rate Increase Assessment – Attestation Table		
The reported data and attestations pertain to Health-Related Social Needs related provider payment increase requirements for the demonstration period of performance DY 11 thru DY 17.		
Category of Service	Medicaid Fee-for-Service to Medicare Fee-for-service Ratio	Medicaid Managed Care to Medicare Fee-for-service Ratio
Primary Care Services	<i>[insert percent, or N/A if state does not make Medicaid fee-for-service payments]</i>	<i>[insert percent, or N/A if state does not utilize a Medicaid managed care delivery system for applicable covered service categories]</i>
	<i>[insert approach, either ratio derived under STC 11.5.a or STC 11.5.b]</i>	<i>[insert approach, either ratio derived under STC 11.6.a or STC 11.6.b insert data source and time period (e.g., applicable 12-month rating period) for each of Medicaid and Medicare to derive the ratio]</i>
Obstetric Care Services	<i>[insert percent, or N/A if state does not make fee-for-service payments]</i>	<i>[insert percent, or N/A if state does not utilize a Medicaid managed care delivery system for providers for covered service categories]</i>

	<i>[insert approach, either ratio derived under STC 11.5.a or STC 11.5.b]</i>	<i>[insert approach, either ratio derived under STC 11.6.a or STC 11.6.b insert data source and time period (e.g., applicable 12-month rating period) for each of Medicaid and Medicare to derive the ratio]</i>
Behavioral Health Care Services	<i>[insert percent, or N/A if state does not make fee-for-service payments]</i>	<i>[insert percent, or N/A if state does not utilize a Medicaid managed care delivery system for applicable covered service categories]</i>
	<i>[insert approach, either ratio derived under STC 11.5(a) or STC 11.5(b)]</i>	<i>[insert approach, either ratio derived under STC 11.6(a) or STC 11.6(b)]; insert data source and time period (e.g., applicable 12-month rating period) for each of Medicaid and Medicare to derive the ratio]</i>
<p>In accordance with STCs 11.1 through 11.14, including that the Medicaid provider payment rates used to establish the ratios do not reflect FFS supplemental payments or Medicaid managed care pass-through payments under 42 CFR § 438.6(a) and 438.6(d), I attest that at least a two percentage point payment rate increase will be applied to each of the services in the one service category in each delivery system, as applicable to the state’s Medicaid or demonstration service delivery model, if for that delivery system the ratio is both the lowest ratio among the three and below 80 percent. Such provider payment increases for each service will be effective beginning on <i>[insert date]</i> and will not be lower than the highest rate for that service code in XX plus an amount necessary so that the Medicaid to Medicare ratio increases by at least two percentage points relative to the rate for the same or similar Medicare billing code through at least <i>[insert date]</i>.</p> <p>For the purpose of deriving the Medicaid to Medicare provider payment rate ratio, and to apply the rate increase as may be required under a FFS delivery system or under managed care delivery system, as applicable, the state agrees to define primary care, behavioral health care, and obstetric care, and to identify applicable service codes and providers types for each of these service categories in a manner consistent with other state and federal Medicaid program requirements, except that inpatient behavioral health services may be excluded from the state’s definition.</p> <p>The services that comprise any service category to which the rate increase must be applied will include all service codes that fit under the state’s definition of the category, except the behavioral health codes do not have to include inpatient care services.</p>		

For provider payment rates paid under managed care delivery system, the data and methodology for any one of the service categories as provided in STC 11.6.b will be based on Medicaid managed care provider payment rate and utilization data.

[Select the applicable effective date, must check either a. or b. below]

a. The effective date of the rate increases is the first day of DY [3, *provide the actual year*] and will be at least sustained, if not higher, through DY [5, *provide the actual year*]

b. New Jersey has a biennial legislative session that requires provider payment approval and the timing of that session precludes the state from implementing the payment increase on the first day of DY [3, *provide the actual year*]. New Jersey will effectuate the rate increases no later than the CMS approved date of [*insert date*], and will sustain these rates, if not made higher, through DY [5, *provide the accrual year*].

New Jersey [*insert does or does not*] make Medicaid state plan FFS payments for the following categories of service for at least some populations: primary care, behavioral health care, and/or obstetric care.

For any such payments, as necessary to comply with the Health-Related Social Need STCs, I agree to submit by no later than [*insert date*] for CMS review and approval the Medicaid state plan FFS payment increase methodology, including the Medicaid code set to which the payment rate increases are to be applied, code level Medicaid utilization, Medicaid and Medicare rates for the same or similar Medicare billing codes, and other data used to calculate the ratio, and the methodology, as well as other documents and supporting information (e.g., state responses to Medicaid financing questions) as required by applicable statutes, regulations and CMS policy, through the submission of a new SPA, following the normal SPA process including publishing timely tribal and public notice and submitting to CMS all required SPA forms (e.g., SPA transmittal letter, CMS-179, Attachment 4.19-B pages from the state), by no later than [*insert date*]

New Jersey [*insert does or does not*] include the following service categories within a Medicaid managed care delivery system for which the managed care plans make payments to applicable providers for at least some populations: primary care, behavioral health, and or obstetric care.

For any such payments, as necessary to comply with the Health-Related Social Need STCs, I agree to submit the Medicaid managed care plans' provider payment increase methodology, including the information listed in STC 11.11 through the state directed payments submission process and in accordance with 42 CFR 438.6(c), as applicable, by no later than [*insert date*]

If the state utilizes a managed care delivery system for the applicable service categories, then in accordance with STC 11.10, I attest that necessary arrangements will be made to assure that 100 percent of the two percentage point managed care plans' provider payment increase will be paid to the providers of those service categories and none of this payment rate increase is retained by the managed care plans.

New Jersey further agrees not to decrease provider payment rates for other Medicaid- or demonstration-covered services to make state funds available to finance provider rate increases required under this STC 11.

I, *[insert name of SMD or CFO(or equivalent position)] [insert title]*, attest that the above information is complete and accurate.

[Provide signature _____]

[Provide printed name of signator]

[Provide date _____]

12. MONITORING AND REPORTING REQUIREMENTS

12.1. **Deferral for Failure to Submit Timely Demonstration Deliverables.** CMS may issue deferrals in accordance with 42 CFR part 430 subpart C, in the amount of \$5,000,000 per deliverable (federal share) when items required by these STCs (e.g., required data elements, analyses, reports, design documents, presentations, and other items specified in these STCs (hereafter singly or collectively referred to as “deliverable(s)”) are not submitted timely to CMS or found to not be consistent with the requirements approved by CMS. A deferral shall not exceed the value of the federal amount for the demonstration period. The state does not relinquish its rights provided under 42 CFR part 430 subpart C to challenge any CMS finding that the state materially failed to comply with the terms of this agreement.

- a. The following process will be used: 1) 30 calendar days after the deliverable was due if the state has not submitted a written request to CMS for approval of an extension as described in STC 12.1.b; or 2) 30 calendar days after CMS has notified the state in writing that the deliverable was not accepted for being inconsistent with the requirements of this agreement and the information needed to bring the deliverable into alignment with CMS requirements.
- b. CMS will issue a written notification to the state providing advance notification of a pending deferral for late or non-compliant submissions of required deliverables.
- c. For each deliverable, the state may submit to CMS a written request for an extension to submit the required deliverable. The extension request must explain the reason why the required deliverable was not submitted, the steps the state has taken to address such issue, and the state’s anticipated date of submission. Should CMS agree in writing to the state’s request, a corresponding extension of the deferral process described below can be provided. CMS may agree to a corrective action plan as an interim step before applying the deferral, if corrective action is proposed in the state’s written extension request.
- d. If CMS agrees to an interim corrective process in accordance with STC 12.1.c, and the state fails to comply with the corrective action plan or, despite the corrective action plan, still fails to submit the overdue deliverable(s) that meets the terms of this agreement, CMS may proceed with the issuance of a deferral against the next Quarterly Statement of Expenditures reported in Medicaid Budget and Expenditure

System/State Children's Health Insurance Program Budget and Expenditure System (MBES/CBES) following a written deferral notification to the state.

- e. If the CMS deferral process has been initiated for state non-compliance with the terms of this agreement for submitting deliverable(s), and the state submits the overdue deliverable(s), and such deliverable(s) are accepted by CMS as meeting the standards outlined in these STCs, the deferral(s) will be released.

As the purpose of a Section 1115 demonstration is to test new methods of operation or service delivery, a state's failure to submit all required reports, evaluations, and other deliverables will be considered by CMS in reviewing any application for an extension, amendment, or for a new demonstration.

- 12.2. **Deferral of Federal Financial Participation (FFP) from IMD claiming for Insufficient Progress Toward Milestones.** Up to \$5 million in FFP for services in IMDs may be deferred if the state is not making adequate progress on meeting the milestones and goals as evidenced by reporting on the milestones in STC 6.1 and the required performance measures in the monitoring protocol agreed upon by the state and CMS. Once CMS determines the state has not made adequate progress, up to \$5 million will be deferred in the next calendar quarter and each calendar quarter thereafter until CMS has determined sufficient progress has been made.
- 12.3. **Submission of Post-Approval Deliverables.** The state must submit all deliverables as stipulated by CMS and within the timeframes outlined within these STCs.
- 12.4. **Compliance with Federal Systems Updates.** As federal systems continue to evolve and incorporate additional Section 1115 demonstration reporting and analytics functions, the state will work with CMS to:
 - a. Revise the reporting templates and submission processes to accommodate timely compliance with the requirements of the new systems;
 - b. Ensure all Section 1115 demonstration, T-MSIS, and other data elements that have been agreed to for reporting and analytics are provided by the state; and
 - c. Submit deliverables to the appropriate system as directed by CMS.
- 12.5. **New Initiatives Implementation Plan.** The state is required to submit a New Initiatives Implementation Plan ("Implementation Plan") to cover certain key policies being tested under this demonstration, including those approved through any amendments. The Implementation Plan will contain applicable information for the following expenditure authorities: HRSN Infrastructure, HRSN Services, and Continuous Eligibility. The Implementation Plan, at a minimum, must provide a description of the state's strategic approach to implementing these demonstration policies, including timelines for meeting critical implementation stages or milestones, as applicable, to support successful implementation.

The state must submit the MOE information required by STC 10.15 for CMS approval no later than 90 calendar days after approval of this demonstration. All other Implementation Plan requirements outlined in this STC must be submitted for CMS approval no later than 9 months after the approval of this demonstration. The state must submit any required clarifications or revisions to their Implementation Plan submission within 60 calendar days after receipt of CMS feedback. Once approved, the finalized Implementation Plan will be incorporated into the STCs as Attachment G and may be further altered only with CMS approval.

In the Implementation Plan, the state is expected only to provide additional details regarding the implementation of the demonstration policies that are not already captured in the STCs or available elsewhere publicly. Furthermore, for the state's HRSN-related authorities, the Implementation Plan does not need to repeat any information submitted to CMS in the Protocol for HRSN Infrastructure and HRSN Services (see STC 10.6); however, as applicable, the information provided in the two deliverables must be aligned and consistent with one another.

The Implementation Plan does not need to duplicate information that pertains to more than one initiative, assuming the information is the same. The Implementation Plan can be updated as necessary to align with state operations. CMS may provide the state with a template to support the state in developing and obtaining approval of the Implementation Plan.

The New Initiatives Implementation Plan must include information on, but not limited to, the following:

- a. A plan for establishing and/or improving data sharing and partnerships with an array of health system and social services stakeholders to the extent those entities are vital to provide needed administrative and HRSN-related data on screenings, referrals, and provision of services, which are critical for understanding program implementation and conducting demonstration monitoring and evaluation
- b. Information about key partnerships related to HRSN service delivery, including plans for capacity building for community partners and for soliciting and incorporating input from impacted groups (e.g., community partners, health care delivery system partners, and beneficiaries)
- c. Plans for changes to IT infrastructure that will support HRSN-related data exchange, including development and implementation of data systems necessary to support program implementation, monitoring, and evaluation. These existing or new data systems should, at a minimum, collect data on beneficiary characteristics, eligibility and consent, screening, referrals, and service provision
- d. A plan for tracking and improving the share of Medicaid beneficiaries in the state who are eligible and enrolled in the Supplemental Nutrition Assistance Program (SNAP), the Special Supplemental Nutrition Program for Women, Infants and Children (WIC), Temporary Assistance for Needy Families (TANF), and federal and

state housing assistance programs, relative to the number of total eligible beneficiaries in the state

- e. An implementation timeline and evaluation considerations impacted by the timeline, such as staged rollout, that can facilitate robust evaluation designs
- f. A description of processes to perform verifications on beneficiary residency and other checks and to update beneficiary contact information on an annual basis, as described in STCs 5.16.d
- g. Information as required per STC 10.14 (HRSN Rate Methodologies)
- h. Information as required per STC 10.15 (MOE)
- i. Information as required per STC 10.16 (Partnerships with State and Local Entities)

Failure to submit the Implementation Plan will be considered a material failure to comply with the terms of the demonstration project as described in 42 CFR 431.420(d) and, as such, would be grounds for termination or suspension of authority for HRSN Infrastructure, HRSN Services, and/or Continuous Eligibility under this demonstration.

- 12.6. **Monitoring Protocol.** The state must submit to CMS a Monitoring Protocol no later than 150 calendar days after the approval of the demonstration. The state must submit a revised Monitoring Protocol within 60 calendar days after receipt of CMS's comments. Once approved, the Monitoring Protocol will be incorporated in the STCs as Attachment J. In addition, the state must submit an updated or a separate Monitoring Protocol for any amendments to the demonstration no later than 150 calendar days after the approval of the amendment. Such amendment Monitoring Protocols are subject to same requirement of revisions and CMS approval, as described above.

At a minimum, the Monitoring Protocol will affirm the state's commitment to conduct Quarterly and Annual Monitoring Reports in accordance with CMS's guidance and technical assistance and using CMS-provided reporting templates, if applicable. Any proposed deviations from CMS's guidance should be documented in the Monitoring Protocol. The Monitoring Protocol will describe the quantitative and qualitative elements on which the state will report through Quarterly and Annual Monitoring Reports. For the overall demonstration as well as for specific policies where CMS provides states with a suite of quantitative monitoring metrics (e.g., the performance metrics described in STC 12.8.b), the state is required to calculate and report such metrics leveraging the technical specifications provided by CMS. The Monitoring Protocol must specify the methods of data collection and timeframes for reporting on the demonstration's progress as part of the Quarterly and Annual Monitoring Reports. In alignment with CMS guidance, the Monitoring Protocol must additionally specify the state's plans and timeline on reporting metrics data stratified by key demographic subpopulations of interest (e.g., by sex, age, race/ethnicity, English language proficiency, primary language, disability status, and geography) and demonstration component.

For the HRSN services authorized through this demonstration, the Monitoring Protocol also requires specifying a selection of quality of care and health outcomes metrics and population stratifications based on CMS’s upcoming guidance on the Health Equity Measure Slate, and outlining the corresponding data sources and reporting timelines. This slate of measures represents a critical set of equity-focused metrics known to be important for closing key equity gaps in Medicaid/CHIP (e.g. the National Quality Forum (NQF) “disparities-sensitive” measures) and prioritizes key outcome measures and their clinical and non-clinical (i.e. social) drivers. The Monitoring Protocol must also outline the state’s planned approaches and parameters to track performance relative to the goals and milestones, as provided in the implementation plan, for the HRSN infrastructure investments.

In addition, the state must describe in the Monitoring Protocol methods to collect and analyze non-Medicaid administrative data to help calculate applicable monitoring metrics. These sources may include, but are not limited to: (1) community resource referral platforms, (2) records of social services receipt from other agencies (such as SNAP or TANF benefits, or HUD assistance), (3) other data from social services organizations linked to beneficiaries (e.g., services rendered, resolution of identified need, as applicable), and (4) social needs screening results from electronic health records, health plans, or other partner agencies, as applicable. Across data sources, the state must make efforts and consult with relevant non-Medicaid social service agencies to collect data in ways that support analyses of data on beneficiary subgroups.

For the qualitative elements (e.g., operational updates as described in STC 12.8.a), CMS will provide the state with guidance on narrative and descriptive information which will supplement the quantitative metrics on key aspects of the demonstration policies. The quantitative and qualitative elements will comprise the state’s Quarterly and Annual Monitoring Reports.

- 12.7. **SUD Monitoring Protocol.** The state must submit a draft Monitoring Protocol for the SUD programs authorized by this demonstration no later than 150 calendar days after the effective date of the demonstration. The SUD Monitoring Protocol must be developed in cooperation with CMS and is subject to CMS approval. The state must submit a revised Monitoring Protocol within 60 calendar days after receipt of CMS’ comments. Once approved, the SUD Monitoring Protocol will be incorporated into the STCs, as Attachment I. Progress on the performance measures identified in the Monitoring Protocol must be reported via the Quarterly and Annual Monitoring Reports. Components of the Monitoring Protocol include:
- a. An assurance of the state’s commitment and ability to report information relevant to each of the program implementation areas outlined in Attachment E and reporting relevant information to the state’s Health IT plan described in STC 6.3;
 - b. A description of the methods of data collection and timeframes for reporting on the state’s progress on required measures as part of the general reporting requirements

described in Section XII (Monitoring and Reporting Requirements) of the demonstration; and

- c. A description of baselines and targets to be achieved by the end of the demonstration. Where possible, baselines will be informed by state data, and targets will be benchmarked against performance in best practice settings.

12.8. **Monitoring Reports.** The state must submit three Quarterly Monitoring Reports and one Annual Monitoring Report each DY. The fourth-quarter information that would ordinarily be provided in a separate Quarterly Monitoring Report should be reported as distinct information within the Annual Monitoring Report. The Quarterly Monitoring Reports are due no later than 60 calendar days following the end of each demonstration quarter. The Annual Monitoring Report (including the fourth-quarter information) is due no later than 90 calendar days following the end of the DY. The state must submit a revised Monitoring Report within 60 calendar days after receipt of CMS’s comments, if any. The reports will include all required elements as per 42 CFR 431.428, and should not direct readers to links outside the report. Additional links not referenced in the document may be listed in a Reference/Bibliography Section. The Quarterly and Annual Monitoring Reports must follow the framework to be provided by CMS, which is subject to change as monitoring systems are developed/evolve, and will be provided in a structured manner that supports federal tracking and analysis.

- a. **Operational Updates.** Per 42 CFR 431.428, the Monitoring Reports must document any policy or administrative difficulties in operating the demonstration. The reports must provide sufficient information to document key operational and other challenges, underlying causes of challenges, and how challenges are being addressed, as well as key achievements and to what conditions and efforts successes can be attributed. The discussion should also include any issues or complaints identified by beneficiaries; lawsuits or legal actions; unusual or unanticipated trends; legislative updates; and descriptions of any public forums held. In addition, Monitoring Reports should describe key achievements, as well as the conditions and efforts to which these successes can be attributed. Monitoring reports should also include a summary of all public comments received through post-award public forums regarding the progress of the demonstration.
- b. **Performance Metrics.** The performance metrics will provide data to demonstrate how the state is progressing toward meeting the goals and milestones – including relative to their projected timelines – of the demonstration’s program and policy implementation and infrastructure investments, and must cover all key policies under this demonstration. Additionally, per 42 CFR 431.428, the Monitoring Reports must document the impact of the demonstration on beneficiaries’ outcomes of care, quality and cost of care, and access to care. This should also include the results of beneficiary satisfaction or experience of care surveys, if conducted, as well as grievances and appeals.

The demonstration’s metrics reporting must cover categories including, but not limited to: enrollment and renewal, including enrollment duration, access to providers, utilization of services, and quality of care and health outcomes. The state must undertake robust reporting of quality of care and health outcomes metrics aligned with the demonstration’s policies and objectives, to be reported for all demonstration populations. Such reporting must also be stratified by key demographic subpopulations of interest (e.g., by sex, age, race/ethnicity, English language proficiency, primary language, disability status, and geography) and by demonstration components, to the extent feasible. Subpopulation reporting will support identifying any existing shortcomings or disparities in quality of care and health outcomes, and help track whether the demonstration’s initiatives help improve outcomes for the state’s Medicaid population, including the narrowing of any identified disparities. To that end, CMS underscores the importance of the state’s reporting of quality of care and health outcomes metrics known to be important for closing key equity gaps in Medicaid/CHIP (e.g. NQF “disparities-sensitive” measures) and prioritizing key outcome measures and their clinical and non-clinical (i.e. social) drivers of health. In coordination with CMS, the state is expected to select such measures for reporting in alignment with a critical set of equity-focused measures CMS is finalizing as part of its upcoming guidance on the Health Equity Measure Slate.

In addition, in alignment with any applicable CMS guidance and technical assistance related to specific program components of the demonstration, the state’s monitoring efforts must satisfy the below requirements, to be finalized through the state’s two Monitoring Protocols (STCs 12.6 and 12.7) described above, which are subject to CMS approval.

- i. For this demonstration’s HCBS, MLTSS, and 217-like expansion initiatives, the state must leverage appropriate metrics that are in alignment with CMS’ HCBS Quality Measure Set, and may include other nationally standardized and tested measures in key measurement areas such as service plan, health and welfare, access, rebalancing, and community integration. Furthermore, the state’s reporting should align with, but not duplicate, reporting efforts outlined in Section 9 on Delivery Systems. The state’s reporting must accommodate, but may not be limited to, the following:
 - As feasible, by HCBS program and/or institution type, enrollment, reenrollment, and disenrollment.
 - Functional reassessment and service plan updates.
 - Measures derived from experience of care surveys that cover each of the state’s HCBS populations. Some experience of care surveys have not been tested with all populations enrolled in HCBS programs, so the state may need to use multiple experience of care surveys depending on the populations served by the state’s HCBS programs.
 - Annual HCBS QIS requirements in accordance with STC 9.8.

- ii. For the SUD component, the state’s monitoring must align with the CMS-approved SUD Monitoring Protocol (see STC 12.7), and will cover metrics in alignment with assessment of need and qualification for SUD treatment services and the demonstration’s six milestones as outlined in the State Medicaid Director Letter (SMDL) dated November 1, 2017 (SMDL #17-003)⁴.
- iii. For the extension of postpartum care component, the state’s reporting must cover metrics for domains including but not limited to: enrollment, primary and preventative care, maternal health, infant health, and if applicable, behavioral health.
- iv. In addition to the enrollment and renewal metrics that support tracking Medicaid churn, systematic monitoring of the continuous eligibility policy must – at a minimum – capture data on utilization of preventive care services, including vaccination among populations of focus, and utilization of costlier and potentially avoidable services, such as inpatient hospitalizations and non-emergent use of emergency departments.
- v. For the HRSN initiatives, in addition to reporting on the quality of care and health outcomes metrics described above, the state must track beneficiary participation, screening, rescreenings and receipt of referrals and social services over time. The state’s enrollment and renewal metrics must also capture baseline data and track progress via Monitoring Reports for the percent of Medicaid renewals completed ex-parte (administratively), as well as the percentage of Medicaid beneficiaries enrolled in other public benefit programs (such as SNAP and WIC) for which they are eligible. The state’s reporting of metrics must also capture the number of pregnant individuals with a diagnosis of either pre-existing diabetes and/or gestational diabetes served under the Medically Indicated Meals Pilot, and corresponding service utilization.

Other than the quantitative monitoring metrics, the state must also narratively report on the progress in adoption of IT infrastructure to support data sharing between the state or partner entities assisting in the administration of the demonstration and social services organizations. In alignment with STC 10.16, the state must additionally monitor and provide narrative updates on its progress in building and sustaining its partnership with existing housing and nutrition agencies to leverage their expertise and existing housing and nutrition resources instead of duplicating services. Finally, the Monitoring Reports must also provide status updates in accordance with the Monitoring Protocol on the implementation of infrastructure investments tied to the HRSN initiatives.

As applicable, if the state, health plans, or health care providers will contract or partner with organizations to implement the demonstration, the state must use monitoring metrics that track the number and characteristics of contracted or

⁴ SMDL #17-003, Strategies to Address the Opioid Epidemic. Available at: <https://www.medicaid.gov/federal-policy-guidance/downloads/smd17003.pdf>

participating organizations in specific demonstration programs and corresponding payment-related metrics.

- vi. The state must report on monitoring metrics that reflect the take-up of the caregiver support services and report, at a minimum, the number and types of services rendered as well as the number denied coverage under this policy.
- vii. The state must, in coordination with CMS through the Monitoring Protocol of Other Policies (STC 12.8), also establish monitoring metrics to help track operational and implementation progress and performance of the demonstration's pilot programs. At a minimum, the metrics must capture the number of individuals eligible for these pilots, the number and composition of service utilization, and corresponding health outcomes, as applicable.

The required monitoring and performance metrics must be included in the Monitoring Reports, and will follow the framework provided by CMS to support federal tracking and analysis.

- c. **Budget Neutrality and Financial Reporting Requirements.** Per 42 CFR 431.428, the Monitoring Reports must document the financial performance of the demonstration. The state must provide an updated budget neutrality workbook with every Monitoring Report that meets all the reporting requirements for monitoring budget neutrality set forth in STC 13.11, including the submission of corrected budget neutrality data upon request. In addition, the state must report quarterly and annual expenditures associated with the populations affected by this demonstration on the Form CMS-64. Administrative costs should be reported separately on the CMS-64.
- d. **Evaluation Activities and Interim Findings.** Per 42 CFR 431.428, the Monitoring Reports must document any results of the demonstration to date per the evaluation hypotheses. Additionally, the state shall include a summary of the progress of evaluation activities, including key milestones accomplished, as well as challenges encountered and how they were addressed.

12.9. **SUD Mid-Point Assessment.** The state must contract with an independent entity to conduct a mid-point assessment for the demonstration's SUD component by December 31, 2025. This timeline will allow for the Mid-Point Assessment Report to capture approximately the first two-and-a-half years of demonstration program data, accounting for data run-out and data completeness. The state must provide a copy of the report to CMS no later than 60 calendar days after December 31, 2025. The state must brief CMS on the report, if requested. The state must submit a revised Mid-Point Assessment Report within 60 calendar days after receipt of CMS' comments, if any.

In the design, planning and conduction of the mid-point assessment, the state must require that the independent assessor consult with key stakeholders including, but not limited to: representatives of MCOs, if applicable, SUD treatment providers, beneficiaries, and other key partners. The state must require that the assessor provide a Mid-Point Assessment

Report to the state that includes the methodologies used for examining progress and assessing risk, the limitations of the methodologies, its determinations and any recommendations. For milestones and measure targets at medium to high risk of not being achieved, the state must submit to CMS modifications to the SUD Implementation Plan and the SUD Monitoring Protocol for ameliorating these risks. Modifications to the applicable Implementation Plan and Monitoring Protocol are subject to CMS approval.

In the event of demonstration extensions, the SUD mid-point assessment must account for milestones met during prior approval periods and progress achieved toward the programs original goals and objectives, and accommodate those considerations in the current period mid-point assessment.

Elements of the Mid-Point Assessment Report include:

- a. An examination of progress toward meeting each milestone and timeframe approved in the SUD Implementation Plan, and toward meeting the targets for performance measures as approved in the SUD Monitoring Protocol;
- b. A determination of factors that affected achievement on the milestones and performance measure gap closure percentage points to date;
- c. A determination of selected factors likely to affect future performance in meeting milestones and targets not yet met and information about the risk of possibly missing those milestones and performance targets;
- d. For milestones or targets at medium to high risk of not being met, recommendations for adjustments in the state's SUD Implementation Plan to pertinent factors that the state can influence that will support improvement; and
- e. An assessment of whether the state is on track to meet the budget neutrality requirements.

12.10. **Corrective Action Plan Related to Monitoring.** If monitoring indicates that demonstration features are not likely to assist in promoting the objectives of Medicaid, CMS reserves the right to require the state to submit a corrective action plan to CMS for approval. A state corrective action plan could include a temporary suspension of implementation of demonstration programs in circumstances where monitoring data indicate substantial and sustained directional change inconsistent with demonstration goals, such as substantial and sustained trends indicating increased difficulty accessing services. A corrective action plan may be an interim step to withdrawing waivers or expenditure authorities, as outlined in STC 3.11. CMS will withdraw an authority, as described in STC 3.11, when metrics indicate substantial and sustained directional change inconsistent with the state's demonstration goals, and the state has not implemented corrective action. CMS further has the ability to suspend implementation of the demonstration should corrective actions not effectively resolve these concerns in a timely manner

- 12.11. **Close-Out Report.** Within 120 calendar days after the expiration of the demonstration, the state must submit a draft Close-Out Report to CMS for comments.
- a. The Close-Out Report must comply with the most current guidance from CMS.
 - b. In consultation with CMS, and per guidance from CMS, the state will include an evaluation of the demonstration (or demonstration components) that are to phase out or expire without extension along with the Close-Out Report. Depending on the timeline of the phase-out during the demonstration approval period, in agreement with CMS, the evaluation requirement may be satisfied through the Interim and/or Summative Evaluation Reports stipulated in STCs 13.7 and 13.8, respectively.
 - c. The state will present to and participate in a discussion with CMS on the Close-Out report.
 - d. The state must take into consideration CMS's comments for incorporation into the final Close-Out Report.
 - e. A revised Close-Out Report is due to CMS no later than 30 days after receipt of CMS's comments.
 - f. A delay in submitting the draft or final version of the Close-Out Report may subject the state to penalties described in STC 12.1.
- 12.12. **Monitoring Calls.** CMS will convene periodic conference calls with the state.
- a. The purpose of these calls is to discuss ongoing demonstration operation, to include (but not limited to) any significant actual or anticipated developments affecting the demonstration. Examples include implementation activities, trends in reported data on metrics and associated mid-course adjustments, enrollment and access, budget neutrality, and progress on evaluation activities.
 - b. CMS will provide updates on any pending actions, as well as federal policies and issues that may affect any aspect of the demonstration.
 - c. The state and CMS will jointly develop the agenda for the calls.
- 12.13. **Post Award Forum.** Pursuant to 42 CFR 431.420(c), within six (6) months of the demonstration's implementation, and annually thereafter, the state must afford the public with an opportunity to provide meaningful comment on the progress of the demonstration. At least 30 calendar days prior to the date of the planned public forum, the state must publish the date, time and location of the forum in a prominent location on its website. The state must also post the most recent Annual Monitoring Report on its website with the public forum announcement. Pursuant to 42 CFR 431.420(c), the state must include a summary of the public comments in the Annual Monitoring Report associated with the year in which the forum was held.

13. EVALUATION OF THE DEMONSTRATION

- 13.1. **Cooperation with Federal Evaluators and Learning Collaborative.** As required under 42 CFR 431.420(f), the state shall cooperate fully and timely with CMS and its contractors in any federal evaluation of the demonstration or any component of the demonstration. This includes, but is not limited to, commenting on design and other federal evaluation documents and providing data and analytic files to CMS, including entering into a data use agreement that explains how the data and data files will be exchanged, and providing a technical point of contact to support specification of the data and files to be disclosed, as well as relevant data dictionaries and record layouts. The state shall include in its contracts with entities who collect, produce or maintain data and files for the demonstration, that they shall make such data available for the federal evaluation as is required under 42 CFR 431.420(f) to support federal evaluation. This may also include the state's participation – including representation from the state's contractors, independent evaluators, and organizations associated with the demonstration operations, as applicable – in a federal learning collaborative aimed at cross-state technical assistance, and identification of lessons learned and best practices for demonstration measurement, data development, implementation, monitoring and evaluation. The state may claim administrative match for these activities. Failure to comply with this STC may result in a deferral being issued as outlined in STC 12.1.
- 13.2. **Independent Evaluator.** The state must use an independent party to conduct an evaluation of the demonstration to ensure that the necessary data is collected at the level of detail needed to research the approved hypotheses. The independent party must sign an agreement to conduct the demonstration evaluation in an independent manner in accord with the CMS-approved Draft Evaluation Design. When conducting analyses and developing the evaluation reports, every effort should be made to follow the approved methodology. However, the state may request, and CMS may agree to, changes in the methodology in appropriate circumstances.
- 13.3. **Draft Evaluation Design.** The state must submit, for CMS comment and approval, a draft Evaluation Design no later than 180 calendar days after the approval of the demonstration. The Evaluation Design must be drafted in accordance with Attachment A (Developing the Evaluation Design) of these STCs and any applicable CMS evaluation guidance and technical assistance for the demonstration's policy components. The Evaluation Design must also be developed in alignment with CMS guidance on applying robust evaluation approaches, such as quasi-experimental methods like difference-in-differences and interrupted time series, as well as establishing valid comparison groups and assuring causal inferences in demonstration evaluations. In addition to these requirements, if determined culturally appropriate for the communities impacted by the demonstration, the state is encouraged to consider implementation approaches involving randomized control trials and staged rollout (for example, across geographic areas, by service setting, or by beneficiary characteristic) – as these implementation strategies help create strong comparison groups and facilitate robust evaluation.

The state is strongly encouraged to use the expertise of the independent party in the development of the draft Evaluation Design. The draft Evaluation Design also must include a timeline for key evaluation activities, including the deliverables outlined in STC 12.8.

For any amendment to the demonstration, the state will be required to update the approved Evaluation Design to accommodate the amendment component. The amended Evaluation Design must be submitted to CMS for review no later than 180 calendar days after CMS's approval of the demonstration amendment. Depending on the scope and timing of the amendment, in consultation with CMS, the state may provide the details on necessary modifications to the approved Evaluation Design via the monitoring reports. The amendment Evaluation Design must also be reflected in the state's Interim (as applicable) and Summative Evaluation Reports, described below.

In the event of demonstration extensions, for components that are continuing from the prior demonstration approval period, the state's Evaluation Design must reframe and refocus as needed the evaluation hypotheses and research questions to appropriately factor in where it can reasonably expect continued improvements, and where the demonstration's role might be more to help stabilize outcomes. Likewise, for continuing policies, the state must revisit its analytic approaches compared to those used in the prior approval period evaluation activities, to ensure that the evaluation of those policies taps into the longer implementation time span.

- 13.4. **Evaluation Design Approval and Updates.** The state must submit a revised draft Evaluation Design within 60 calendar days after receipt of CMS's comments, if any. Upon CMS approval of the draft Evaluation Design, the document will be included as Attachment K to these STCs. Per 42 CFR 431.424(c), the state will publish the approved Evaluation Design within 30 days of CMS approval. The state must implement the Evaluation Design and submit a description of its evaluation progress in each of the Quarterly and Annual Monitoring Reports. Once CMS approves the Evaluation Design, if the state wishes to make changes, the state must submit a revised Evaluation Design to CMS for approval if the changes are substantial in scope; otherwise, in consultation with CMS, the state may include updates to the Evaluation Design in Monitoring Reports.
- 13.5. **Evaluation Questions and Hypotheses.** Consistent with Attachments A and B (Developing the Evaluation Design and Preparing the Interim and Summative Evaluation Report) of these STCs, the evaluation deliverables must include a discussion of the evaluation questions and hypotheses that the state intends to test. In alignment with applicable CMS evaluation guidance and technical assistance, the evaluation must outline and address well-crafted hypotheses and research questions for all key demonstration policy components that support understanding of the demonstration's impact and its effectiveness in achieving the demonstration's goals.

The hypothesis testing should include, where possible, assessment of both process and outcome measures. The evaluation must cover outcomes, such as enrollment and enrollment continuity, and various measures of access, utilization, and health outcomes, as

appropriate and in alignment with applicable CMS evaluation guidance and technical assistance, for the demonstration policy components. Proposed measures should be selected from nationally-recognized sources and national measures sets, where possible. Measures sets could include CMS's Core Set of Health Care Quality Measures for Children in Medicaid and CHIP, Consumer Assessment of Health Care Providers and Systems (CAHPS), the Core Set of Health Care Quality Measures for Medicaid-Eligible Adults, the Behavioral Risk Factor Surveillance System (BRFSS) survey, and/or measures endorsed by NQF.

The evaluation questions and hypotheses should address the impacts of the following demonstration initiatives, including but not be limited to:

- Additional home and community-based services to Medicaid and CHIP beneficiaries covered under the demonstration
- Home and community-based services to expanded eligibility groups, who would otherwise have not been eligible for Medicaid or CHIP absent the demonstration
- SUD services to Medicaid beneficiaries, including paying for services rendered in an IMD and those for the BH PIP group
- Medical and behavioral health services for the ABP group
- Expedited eligibility determination for individuals under public guardianship
- Extended coverage and benefits for postpartum individuals and the 12-month continuous eligibility provision
- HRSN services to the populations eligible for such services under the demonstration
- Services and benefits rendered under the demonstration authorized pilot programs.

More specifically, the state's evaluation efforts must adhere to the following:

- b. For the HCBS, MLTSS, and 217-like expansion policies, the state must evaluate the impact of the programs on all relevant populations focused on beneficiaries' experience of care, access to care, provision and utilization of care, the quality, efficiency, and coordination of care centered on rebalancing and community integration, and the costs of care. Furthermore, the evaluation is expected to assess the effectiveness of including long-term care services in the capitated managed care benefit on access to care, quality of care, and mix of care settings employed. In addition, the state must analyze the impact of providing additional home and community-based services to Medicaid and CHIP beneficiaries with serious emotional disturbance, opioid addiction, behavioral/mental health issues, or intellectual disabilities/developmental disabilities and of using self-attestation on the transfer of assets.
- c. Evaluation hypotheses for the SUD program component—taking cue from the prior period successes and challenges—must focus on an assessment of the program's effectiveness in further achieving or maintaining the program goals. SUD evaluation, for example, is expected to incorporate outcomes such as: initiation and compliance with treatment, utilization of health services, including avoidable emergency

department visits and inpatient hospitalizations, care coordination including access to care for physical health conditions, preventable or medically inappropriate readmissions, and opioid-related overdose deaths.

- d. Hypotheses for the ABP program must accommodate an assessment of the effectiveness of the program in serving the medical and behavioral health needs of the New Adult Group.
- e. Hypotheses for the extension of postpartum care initiative must cover outcomes related to primary and preventative care utilization, maternal and infant health, and if applicable, treatment for behavioral health, with a focus on addressing any demographic disparities.
- f. For the continuous eligibility policy, the state must evaluate the impact of the program on all relevant populations tailored for the specific time span of eligibility. For example, the state must evaluate how the continuous eligibility policy affects coverage, enrollment and churn (i.e., temporary loss of coverage in which beneficiaries are disenrolled but then re-enroll within 12 months) as well as population-specific appropriate measures of service utilization and health outcomes. The state must also evaluate the effectiveness of the continuous eligibility authority. For example, for the state's populations of focus under the demonstration's continuous eligibility policy, to the extent feasible, the state may collect and analyze data such as changes in beneficiary income at 12-month intervals to inform how a longer period of eligibility can potentially help streamline the state's administrative processes around enrollment and eligibility determinations. In addition, or alternatively, the state may conduct a comprehensive qualitative assessment involving beneficiary focus groups and interviews with key stakeholders to assess the merits of such policies.
- g. Evaluation hypotheses for the HRSN initiatives must focus on assessing the effectiveness of the HRSN services in mitigating identified needs of beneficiaries. Such assessment is expected to use applicable demonstration monitoring and other data on the prevalence and severity of beneficiaries' HRSNs and the provision of and beneficiary utilization of HRSN services. Furthermore, the HRSN evaluation must include analysis of how the initiatives affect utilization of preventive and routine care, utilization of and costs associated with potentially avoidable, high-acuity health care, and beneficiary physical and mental health outcomes. Hypotheses must be designed to help understand, in particular, the impacts of New Jersey's housing support and food assistance programs on beneficiary health outcomes and experience. The evaluation must also analyze the effectiveness of the Medically Indicated Meals Pilot in addressing pregnant individual's dietary risk factors related to adverse perinatal outcomes, through examining outcomes such as gestational diabetes.

In alignment with the demonstration's objectives to improve outcomes for the state's overall beneficiary populations eligible for the HRSN initiatives, the state must also include research questions and hypotheses focused on understanding the impact of the

HRSN initiatives on advancing health quality, including through the reduction of health disparities, for example, by assessing the effects of the initiatives in reducing disparities in health care access, quality of care, or health outcomes at the individual, population, and/or community level.

The evaluation must also assess the effectiveness of the infrastructure investments authorized through the demonstration to support the development and implementation of the HRSN initiatives. The state must additionally examine whether and how state and local investments in housing and nutrition supports change over time in concert with new Medicaid funding toward those HRSN services. In addition, in light of how demonstration HRSN expenditures are being treated for purposes of budget neutrality, the evaluation of the HRSN initiative must include a cost analysis to support developing comprehensive and accurate cost estimates of providing such services. Evaluation of the HRSN initiative is also required to include a robust assessment of potential improvements in the quality and effectiveness of downstream services that can be provided under the state plan authority, and associated cost implications.

- h. Evaluation of the caregiver support services must analyze the effectiveness of these services through hypotheses focused on experiences of caregivers in terms of their emotional or psychological health, ideally in comparison with similar caregivers within or out-of-state who are not eligible for receiving such services.
- i. The state must conduct comprehensive evaluation of its pilot programs, and develop robust evaluation questions and hypotheses to examine the impacts and effectiveness of:
 - i. the ASD Pilot in assisting individuals with activities as outlined in their plan of care to enhance inclusion in the community for youth with an ASD diagnosis by offering a limited package of adjunct or specialized services. Furthermore, the state must include in its evaluation the state's approaches and findings in determining the pilot services cost-effective;
 - ii. the NJHV Pilot Program in promoting health outcomes, whole person care, and community integration of mother and child;
 - iii. the CHW Pilot Program in serving Medicaid and CHIP beneficiaries enrolled in MCOs who have been diagnosed with or are at risk for a specific chronic condition, such as asthma, diabetes, depression, or HIV, and;
 - iv. the Financial Eligibility Determination Pilot Program in expediting and providing Medicaid eligibility to individuals under public guardianship while procuring legal authority to unwind (or spend-down) their assets.

As part of its evaluation efforts, the state must conduct a demonstration cost assessment to include, but not be limited to, administrative costs of demonstration implementation and operation, Medicaid health services expenditures, and provider uncompensated care costs. As noted above, the state must analyze the budgetary effects of the HRSN services, as well as the overall medical assistance service expenditures and uncompensated care and associated costs for populations eligible for continuous eligibility, including in

comparison to populations not eligible for such policies. The cost assessment should also analyze yearly LTSS and HCBS spending throughout the demonstration period. The state must use findings from hypothesis tests aligned with other demonstration goals and cost analyses to assess the demonstration's effects on the fiscal sustainability of the state's Medicaid program.

CMS underscores the importance of the state undertaking a well-designed beneficiary survey and/or interviews to assess, for instance, beneficiary understanding of and experience with the various demonstration policy components, including but not limited to the continuous eligibility and the HRSN demonstration components, and beneficiary experiences with access to and quality of care. In addition, the state is strongly encouraged to evaluate the implementation of the demonstration programs in order to better understand whether implementation of certain key demonstration policies happened as envisioned during the demonstration design process and whether specific factors acted as facilitators of or barriers to successful implementation. Implementation research questions can also focus on beneficiary and provider experience with the demonstration. The implementation evaluation can inform the state's crafting and selection of testable hypotheses and research questions for the demonstration's outcome and impact evaluations and provide context for interpreting the findings.

Finally, the state must collect data to support analyses stratified by key subpopulations of interest (e.g., by sex, age, race/ethnicity, English language proficiency, primary language, disability status, and geography). Such stratified data analyses will provide a fuller understanding of existing disparities in access to and quality of care and health outcomes, and help inform how the demonstration's various policies might support reducing such disparities.

- 13.6. **Evaluation Budget.** A budget for the evaluations must be provided with the draft Evaluation Designs. It will include the total estimated cost, as well as a breakdown of estimated staff, administrative and other costs for all aspects of the evaluations such as any survey and measurement development, quantitative and qualitative data collection and cleaning, analyses and report generation. A justification of the costs may be required by CMS if the estimates provided do not appear to sufficiently cover the costs of the design or if CMS finds that the designs are not sufficiently developed, or if the estimates appear to be excessive.
- 13.7. **Interim Evaluation Report.** The state must submit an Interim Evaluation Report for the completed years of the demonstration, and for each subsequent extension of the demonstration, as outlined in 42 CFR 431.412(c)(2)(vi). When submitting an application for an extension of the demonstration, the Interim Evaluation Report should be posted to the state's website with the application for public comment.
 - a. The Interim Evaluation Report will discuss evaluation progress and present findings to date as per the approved Evaluation Design.
 - b. For demonstration authority or any components within the demonstration that expire prior to the overall demonstration's expiration date, and depending on the timeline of

expiration/phase-out, the Interim Evaluation Report may include an evaluation of the authority, to be collaboratively determined by CMS and the state.

- c. If the state is seeking to extend the demonstration, the draft Interim Evaluation Report is due when the application for extension is submitted, or one year prior to the end of the demonstration, whichever is sooner. If the state is not requesting an extension for a demonstration, an Interim Evaluation Report is due one year prior to the end of the demonstration.
- d. The state must submit the revised Interim Evaluation Report 60 calendar days after receiving CMS's comments on the draft Interim Evaluation Report, if any. Once approved by CMS, the state must post the final Interim Evaluation Report to the state's Medicaid website within 30 calendar days.
- e. The Interim Evaluation Report must comply with Attachment B of these STCs.

13.8. **Summative Evaluation Report.** The state must submit a draft Summative Evaluation Report for the demonstration's current approval period within 18 months of the end of the approval period represented by these STCs. The draft Summative Evaluation Report must be developed in accordance with Attachment B of these STCs, and in alignment with the approved Evaluation Design.

- a. The state must submit a revised Summative Evaluation Report within 60 calendar days of receiving comments from CMS of the draft.
- b. Once approved by CMS, the state must post the final Summative Evaluation Report to the state's Medicaid website within 30 calendar days.

13.9. **Corrective Action Plan Related to Evaluation.** If evaluation findings indicate that demonstration features are not likely to assist in promoting the objectives of Medicaid, CMS reserves the right to require the state to submit a corrective action plan to CMS for approval. These discussions may also occur as part of an extension process when associated with the state's Interim Evaluation Report, or as part of the review of the Summative Evaluation Report. A corrective action plan could include a temporary suspension of implementation of demonstration programs, in circumstances where evaluation findings indicate substantial and sustained directional change inconsistent with demonstration goals, such as substantial and sustained trends indicating increased difficulty accessing services. A corrective action plan may be an interim step to withdrawing waivers or expenditure authorities, as outlined in STC 3.11. CMS further has the ability to suspend implementation of the demonstration should corrective actions not effectively resolve these concerns in a timely manner.

13.10. **State Presentations for CMS.** CMS reserves the right to request that the state present and participate in a discussion with CMS on the Evaluation Design, the Interim Evaluation, and/or the Summative Evaluation.

- 13.11. **Public Access.** The state shall post the final documents (e.g., Implementation Plan, Monitoring Protocol, Monitoring Reports, Mid-Point Assessment, Close Out Report, approved Evaluation Design, Interim Evaluation Report, and Summative Evaluation Report) on the state’s Medicaid website within 30 days of approval by CMS.
- 13.12. **Additional Publications and Presentations.** For a period of 12 months following CMS approval of the final reports, CMS will be notified prior to presentation of these reports or their findings, including in related publications (including, for example, journal articles), by the state, contractor, or any other third party directly connected to the demonstration. Prior to release of these reports, articles or other publications, CMS will be provided a copy including any associated press materials. CMS will be given 30 calendar days to review and comment on publications before they are released. CMS may choose to decline to comment or review some or all of these notifications and reviews.

14. GENERAL FINANCIAL REQUIREMENTS UNDER TITLE XIX

- 14.1. **Allowable Expenditures.** This demonstration project is approved for authorized demonstration expenditures applicable to services rendered and for costs incurred during the demonstration approval period designated by CMS. CMS will provide FFP for allowable demonstration expenditures only so long as they do not exceed the pre-defined limits as specified in these STCs.
- 14.2. **Standard Medicaid Funding Process.** The standard Medicaid funding process will be used for this demonstration. The state will provide quarterly expenditure reports through the Medicaid and CHIP Budget and Expenditure System (MBES/CBES) to report total expenditures under this Medicaid Section 1115 demonstration following routine CMS-37 and CMS-64 reporting instructions as outlined in Section 2500 of the State Medicaid Manual. The state will estimate matchable demonstration expenditures (total computable and federal share) subject to the budget neutrality expenditure limit and separately report these expenditures by quarter for each federal fiscal year on the form CMS-37 for both the medical assistance payments (MAP) and state and local administration costs (ADM). CMS shall make federal funds available based upon the state’s estimate, as approved by CMS. Within 30 days after the end of each quarter, the state shall submit form CMS-64 Quarterly Medicaid Expenditure Report, showing Medicaid expenditures made in the quarter just ended. If applicable, subject to the payment deferral process, CMS shall reconcile expenditures reported on form CMS-64 with federal funding previously made available to the state, and include the reconciling adjustment in the finalization of the grant award to the state.
- 14.3. **Sources of Non-Federal Share.** As a condition of demonstration approval, the state certifies that its funds that make up the non-federal share are obtained from permissible state and/or local funds that, unless permitted by law, are not other federal funds. The state further certifies that federal funds provided under this section 1115 demonstration must not be used as the non-federal share required under any other federal grant or contract, except as permitted by law. CMS approval of this demonstration does not constitute direct or indirect approval of any underlying source of non-federal share or associated funding

mechanisms and all sources of non-federal funding must be compliant with section 1903(w) of the Act and applicable implementing regulations. CMS reserves the right to deny FFP in expenditures for which it determines that the sources of non-federal share are impermissible.

- a. If requested, the state must submit for CMS review and approval documentation of any sources of non-federal share that would be used to support payments under the demonstration.
- b. If CMS determines that any funding sources are not consistent with applicable federal statutes or regulations, the state must address CMS's concerns within the time frames allotted by CMS.
- c. Without limitation, CMS may request information about the non-federal share sources for any amendments that CMS determines may financially impact the demonstration.

14.4. **State Certification of Funding Conditions.** As a condition of demonstration approval, the state certifies that the following conditions for non-federal share financing of demonstration expenditures have been met:

- a. If units of state or local government, including health care providers that are units of state or local government, supply any funds used as non-federal share for expenditures under the demonstration, the state must certify that state or local monies have been expended as the non-federal share of funds under the demonstration in accordance with Section 1903(w) of the Act and applicable implementing regulations.
- b. To the extent the state utilizes certified public expenditures (CPE) as the funding mechanism for the non-federal share of expenditures under the demonstration, the state must obtain CMS approval for a cost reimbursement methodology. This methodology must include a detailed explanation of the process, including any necessary cost reporting protocols, by which the state identifies those costs eligible for purposes of certifying public expenditures. The certifying unit of government that incurs costs authorized under the demonstration must certify to the state the amount of public funds allowable under 42 CFR 433.51 it has expended. The FFP paid to match CPEs may not be used as the non-federal share to obtain additional federal funds, except as authorized by federal law, consistent with 42 CFR 433.51(c).
- c. The state may use intergovernmental transfers (IGT) to the extent that the transferred funds are public funds within the meaning of 42 CFR 433.51 and are transferred by units of government within the state. Any transfers from units of government to support the non-federal share of expenditures under the demonstration must be made in an amount not to exceed the non-federal share of the expenditures under the demonstration.

- d. Under all circumstances, health care providers must retain 100 percent of their payments for or in connection with furnishing covered services to beneficiaries. Moreover, no pre-arranged agreements (contractual, voluntary, or otherwise) may exist between health care providers and state and/or local governments, or third parties to return and/or redirect to the state any portion of the Medicaid payments in a manner inconsistent with the requirements in Section 1903(w) of the Act and its implementing regulations. This confirmation of Medicaid payment retention is made with the understanding that payments that are the normal operating expenses of conducting business, such as payments related to taxes, including health care provider-related taxes, fees, business relationships with governments that are unrelated to Medicaid and in which there is no connection to Medicaid payments, are not considered returning and/or redirecting a Medicaid payment.
- e. The State Medicaid Director or his/her designee certifies that all state and/or local funds used as the state's share of the allowable expenditures reported on the CMS-64 for this demonstration were in accordance with all applicable federal requirements and did not lead to the duplication of any other federal funds.

14.5. Financial Integrity for Managed Care Delivery Systems. As a condition of demonstration approval, the state attests to the following, as applicable:

- a. All risk-based managed care organization, prepaid inpatient health plan (PIHP), and prepaid ambulatory health plan (PAHP) payments, comply with the requirements on payments in 42 CFR 438.6(b)(2), 438.6(c), 438.6(d), 438.60, and 438.74.

14.6. Requirements for Health Care-Related Taxes and Provider Donations. As a condition of demonstration approval, the state attests to the following, as applicable:

- a. Except as provided in paragraph (c) of this STC, all health care-related taxes as defined by Section 1903(w)(3)(A) of the Act and 42 CFR 433.55 are broad-based as defined by Section 1903(w)(3)(B) of the Act and 42 CFR 433.68(c).
- b. Except as provided in paragraph (c) of this STC, all health care-related taxes are uniform as defined by Section 1903(w)(3)(C) of the Act and 42 CFR 433.68(d).
- c. If the health care-related tax is either not broad-based or not uniform, the state has applied for and received a waiver of the broad-based and/or uniformity requirements as specified by 1903(w)(3)(E)(i) of the Act and 42 CFR 433.72.
- d. The tax does not contain a hold harmless arrangement as described by Section 1903(w)(4) of the Act and 42 CFR 433.68(f).
- e. All provider-related donations as defined by 42 CFR 433.52 are bona fide as defined by Section 1903(w)(2)(B) of the Act, 42 CFR 433.66, and 42 CFR 433.54.

14.7. State Monitoring of Non-federal Share. If any payments under the demonstration are funded in whole or in part by a locality tax, then the state must provide a report to CMS

regarding payments under the demonstration no later than 60 days after demonstration approval. This deliverable is subject to the deferral as described in STC 12.2. This report must include:

- a. A detailed description of and a copy of (as applicable) any agreement, written or otherwise agreed upon, regarding any arrangement among the providers including those with counties, the state, or other entities relating to each locality tax or payments received that are funded by the locality tax;
- b. Number of providers in each locality of the taxing entities for each locality tax;
- c. Whether or not all providers in the locality will be paying the assessment for each locality tax;
- d. The assessment rate that the providers will be paying for each locality tax;
- e. Whether any providers that pay the assessment will not be receiving payments funded by the assessment;
- f. Number of providers that receive at least the total assessment back in the form of Medicaid payments for each locality tax;
- g. The monitoring plan for the taxing arrangement to ensure that the tax complies with Section 1903(w)(4) of the Act and 42 CFR 433.68(f); and
- h. Information on whether the state will be reporting the assessment on the CMS form 64.11A as required under Section 1903(w) of the Act.

14.8. **Extent of Federal Financial Participation for the Demonstration.** Subject to CMS approval of the source(s) of the non-federal share of funding, CMS will provide FFP at the applicable federal matching rate for the following demonstration expenditures, subject to the budget neutrality expenditure limits described in the STCs in Section 15:

- a. Administrative costs, including those associated with the administration of the demonstration;
- b. Net expenditures and prior period adjustments of the Medicaid program that are paid in accordance with the approved Medicaid state plan; and
- c. Medical assistance expenditures and prior period adjustments made under Section 1115 demonstration authority with dates of service during the demonstration extension period; including those made in conjunction with the demonstration, net of enrollment fees, cost sharing, pharmacy rebates, and all other types of third-party liability.

14.9. **Program Integrity.** The state must have processes in place to ensure there is no duplication of federal funding for any aspect of the demonstration. The state must also

ensure that the state and any of its contractors follow standard program integrity principles and practices including retention of data. All data, financial reporting, and sources of non-federal share are subject to audit.

- 14.10. **Medicaid Expenditure Groups.** Medicaid Expenditure Groups (MEG) are defined for the purpose of identifying categories of Medicaid or demonstration expenditures subject to budget neutrality, components of budget neutrality expenditure limit calculations, and other purposes related to monitoring and tracking expenditures under the demonstration. The Master MEG Chart table provides a master list of MEGs defined for this demonstration.

Table D: Master MEG Chart					
MEG	Which BN Test Applies?	WOW Per Capita	WOW Aggregate	WW	Brief Description
Title XIX	Main	X		X	Individuals classified as Title XIX in Table A
ABD	Main	X		X	Individuals classified as ABD in Table A
LTC	Main	X		X	Individuals classified as LTC in Table A
HCBS – State Plan	Main	X		X	Individuals classified as HCBS State Plan in Table A
Community Health Worker Pilot	Main			X	Expenditures for the state’s community health workers program pilot to provide evidence-based services within defined communities
Home Visiting Pilot	Main			X	Expenditures under the New Jersey Home Visiting Pilot Program
BH PIP	Main			X	Expenditures for the state’s BH PIP incentive program that will strengthen Medicaid providers’ ability to participate in the state’s health information exchange (HIE)
Financial Eligibility (OPG)	Main			X	Expenditures for health-care related costs up to 12 months for individuals under the guardianship of

					the OPG during the expedited eligibility determination period
IDD at Risk	Hypo 8	X		X	Children in the CSSP IDD program who are not eligible under state plan, and who have incomes of more than 300% of FBR.
SED at Risk	Hypo 8	X		X	Children in the CSSP SED program who are not eligible under state plan, and who have incomes of more than 300% of FBR.
ADM	N/A				All additional administrative costs that are directly attributable to the demonstration and are not described elsewhere and are not subject to budget neutrality.
HCBS – 217 Like	Hypo 1	X		X	Individuals enrolled in MLTSS who live in the community and are not eligible under state plan.
SED – 217 Like	Hypo 1	X		X	Children in the SED program who are not eligible under state plan, and who have incomes of 300% of FBR or less.
IDD – 217 Like	Hypo 1	X		X	Children in the IDD program who are not eligible under state plan, and who have incomes of 300% of FBR or less.
New Adult Group	Hypo 2	X		X	Affordable Care Act new adult group, described in 1902(a)(10)(A)(i)(VIII) and 42 CFR 435.119
SUD IMD Services MEG 1	Hypo 3	X		X	All expenditures for costs of medical assistance that could be covered, were it not for the IMD prohibition under the state plan, provided to otherwise eligible individuals during a month in an IMD

					including no less than 8 hours per week of counseling services on at least five (5) separate occasions. A minimum of seven (7) hours per day of structured activities must be provided on each billable day.
SUD IMD Services MEG 2	Hypo 3	X		X	All expenditures for costs of medical assistance that could be covered, were it not for the IMD prohibition under the state plan provided to otherwise eligible individuals during a month in which they were in an IMD including no less than twelve (12) hours per week of counseling services on at least six (6) separate occasions
SUD IMD Services MEG 3	Hypo 3	X		X	All expenditures for costs of medical assistance that could be covered, were it not for the IMD prohibition under the state plan provided to otherwise eligible individuals during a month in an IMD for care of withdrawal signs and symptoms that are sufficiently severe to require 24-hour medical monitoring care. Detoxification includes a minimum of two (2) hours per week of counseling services
Postpartum Extension	Hypo 4	X		X	Expenditures for Medicaid members in a pregnancy eligibility group from the end of the

					month in which the 60th postpartum day occurs to the end of the 12th month following the end of the pregnancy
Caregiver Supports - Respite	Hypo 5	X		X	Expenditures to expand access to health services for informal or unpaid caregivers to receive respite services that are being newly authorized with the demonstration extension (31 days to 60 days)
Caregiver Supports - Therapy	Hypo 5	X		X	Expenditures to expand access to health services for informal or unpaid caregivers to receive services as defined in the STCs when experiencing emotional or psychological difficulties while caring for individuals receiving MLTSS
Continuous Eligibility – New Adult Group	Hypo 6	X		X	Expenditures for continued benefits for individuals who have been determined eligible under groups specified in STC 5.16.
Continuous Eligibility – Title XIX	Hypo 6	X		X	Expenditures for continued benefits for individuals who have been determined eligible under groups specified in STC 5.16.
Hypo - Community Care Program	Hypo 7	X		X	Expenditures for health-care related costs for individuals in the Community Care Program
Hypo - Supports	Hypo 8	X		X	Expenditures for health-related cost for

					individuals in the Supports Program
Autism Adjunct Pilot	Hypo 9	X		X	Expenditures for specialized services that are not otherwise covered under the Medicaid state plan for children who are Medicaid eligible and have been diagnosed with Autism Spectrum Disorder (ASD).
HRSN Services	Capped Hypo		X	X	All expenditures for certain HRSN initiatives.
HRSN Infrastructure	Capped Hypo		X	X	All infrastructure expenditures for certain HRSN initiatives.

14.11. **Reporting Expenditures and Member Months.** The state must report all demonstration expenditures claimed under the authority of title XIX of the Act and subject to budget neutrality each quarter on separate forms CMS-64.9 WAIVER and/or 64.9P WAIVER, identified by the demonstration project number assigned by CMS (11-W- 00279/2). Separate reports must be submitted by MEG (identified by Waiver Name) and Demonstration Year (identified by the two-digit project number extension). Unless specified otherwise, expenditures must be reported by DY according to the dates of service associated with the expenditure. All MEGs identified in the Master MEG Chart as WW must be reported for expenditures, as further detailed in the MEG Detail for Expenditure and Member Month Reporting table below. To enable calculation of the budget neutrality expenditure limits, the state also must report member months of eligibility for specified MEGs.

- a. **Cost Settlements.** The state will report any cost settlements attributable to the demonstration on the appropriate prior period adjustment schedules (form CMS-64.9P WAIVER) for the summary sheet line 10b (in lieu of lines 9 or 10c), or line 7. For any cost settlement not attributable to this demonstration, the adjustments should be reported as otherwise instructed in the State Medicaid Manual. Cost settlements must be reported by DY consistent with how the original expenditures were reported.
- b. **Premiums and Cost Sharing Collected by the State.** The state will report any premium contributions collected by the state from demonstration enrollees quarterly on the form CMS-64 Summary Sheet line 9D, columns A and B. In order to assure that these collections are properly credited to the demonstration, quarterly premium collections (both total computable and federal share) should also be reported separately by demonstration year on form CMS-64 Narrative, and on the Total Adjustments tab in the Budget Neutrality Monitoring Tool. In the annual calculation of expenditures subject to the budget neutrality expenditure limit, premiums

collected in the demonstration year will be offset against expenditures incurred in the demonstration year for determination of the state's compliance with the budget neutrality limits..

- c. **Pharmacy Rebates.** Because pharmacy rebates are included in the base expenditures used to determine the budget neutrality expenditure limit, the state must report the portion of pharmacy rebates applicable to the demonstration on the appropriate forms CMS-64.9 WAIVER and 64.9P waiver for the demonstration, and not on any other CMS-64.9 form (to avoid double counting). The state must have a methodology for assigning a portion of pharmacy rebates to the demonstration in a way that reasonably reflects the actual rebate-eligible pharmacy utilization of the demonstration population, and which identifies pharmacy rebate amounts with DYs. Use of the methodology is subject to the approval in advance by the CMS Regional Office, and changes to the methodology must also be approved in advance by the Regional Office. Each rebate amount must be distributed as state and federal revenue consistent with the federal matching rates under which the claim was paid.
- d. **Administrative Costs.** The state will separately track and report additional administrative costs that are directly attributable to the demonstration. All administrative costs must be identified on the forms CMS-64.10 WAIVER and/or 64.10P WAIVER. Unless indicated otherwise on the MEG Charts and in the STCs in Section 14, administrative costs are not counted in the budget neutrality tests; however, these costs are subject to monitoring by CMS.
- e. **Member Months.** As part of the Quarterly and Annual Monitoring Reports described in Section XI, the state must report the actual number of “eligible member months” for all demonstration enrollees for all MEGs identified as WOW Per Capita in the Master MEG Chart table above, and as also indicated in the MEG Detail for Expenditure and Member Month Reporting table below. The term “eligible member months” refers to the number of months in which persons enrolled in the demonstration are eligible to receive services. For example, a person who is eligible for three months contributes three eligible member months to the total. Two individuals who are eligible for two months each contribute two eligible member months per person, for a total of four eligible member months. The state must submit a statement accompanying the annual report certifying the accuracy of this information.
- f. **Budget Neutrality Specifications Manual.** The state will create and maintain a Budget Neutrality Specifications Manual that describes in detail how the state will compile data on actual expenditures related to budget neutrality, including methods used to extract and compile data from the state’s Medicaid Management Information System, eligibility system, and accounting systems for reporting on the CMS-64, consistent with the terms of the demonstration. The Budget Neutrality Specifications Manual will also describe how the state compiles counts of Medicaid member months. The Budget Neutrality Specifications Manual must be made available to CMS on request.

Table E: MEG Detail for Expenditure and Member Month Reporting

MEG (Waiver Name)	Detailed Description	Exclusions	CMS-64.9 or 64.10 Line(s) To Use	How Expend. Are Assigned to DY	MAP or ADM	Report Member Months (Y/N)	MEG Start Date	MEG End Date
SUD 1	Report all medical assistance expenditures for services provided to an individual while they are a patient in an IMD for SUD treatment described in Table B of Section 5.		Follow standard CMS 64.9 Category of Service Definitions	Date of service	MAP	Y	07/01/2017	06/30/2028
SUD 2	Report all medical assistance expenditures for services provided to an individual while they are a patient in an IMD for SUD treatment described in Table B of Section 5.		Follow standard CMS 64.9 Category of Service Definitions	Date of service	MAP	Y	07/01/2017	06/30/2028
SUD 3	Report all medical assistance expenditures for services provided to an individual while they are a patient in an IMD for SUD treatment described in		Follow standard CMS 64.9 Category of Service Definitions	Date of service	MAP	Y	07/01/2017	06/30/2028

	Table B of Section 5.							
HRSN Services	Report all expenditures for approved HRSN initiatives		Follow standard CMS 64.9 or 64.10 Category of Service Definitions	Date of service	MAP/ADM	N	07/01/2023	06/30/2028
HRSN Infrastructure	Report all infrastructure expenditures for approved HRSN initiatives		Follow standard CMS 64.10 Category of Service Definitions	Date of service	ADM	N	07/01/2023	06/30/2028
Autism Adjunct Pilot	Report all expenditures for specialized services that are not otherwise covered under the Medicaid state plan for children who are Medicaid eligible and have been diagnosed with Autism Spectrum Disorder (ASD).		Follow standard CMS 64.9 Category of Service Definitions	Date of service	MAP	Y	01/01/2024	06/30/2028
Continuous Eligibility - Title XIX	Report on expenditures for continued benefits for individuals who have been determined eligible under groups specified		Follow standard CMS 64.9 Category of Service Definitions	Date of service	MAP	Y	01/01/2024	06/30/2028

	under STC 5.16							
Continuous Eligibility - New Adult Group	Report on expenditures for continued benefits for individuals who have been determined eligible under groups specified under STC 5.16		Follow standard CMS 64.9 Category of Service Definitions	Date of service	MAP	Y	01/01/2024	06/30/2028
BH PIP	Report on expenditures for the state's BH PIP incentive program		Follow standard 64.10 Category of Service Definitions	Date of service	ADM	N	07/01/2023	06/30/2028
Caregiver Support - Therapy	Report on expenditures related to health services provided to informal or unpaid caregivers experiencing emotional or psychological difficulties while caring for individuals receiving MLTSS		Follow standard CMS 64.9 Category of Service Definitions	Date of service	MAP	Y	01/01/20242024	06/30/2028
Caregiver Supports - Respite	Report on expenditures for respite services provided to informal or		Follow standard CMS 64.9 Category of Service Definitions	Date of service	MAP	Y	07/01/2023	06/30/2028

	unpaid caregivers that are being newly authorized with the demonstration extension (31 days to 60 days).							
ADM	Report all additional administrative costs that are directly attributable to the demonstration, are not described elsewhere, and are not subject to budget neutrality		Follow standard CMS 64.10 Category of Service Definitions	Date of payment	ADM	N	10/1/2012	06/30/2028
Title XIX	Individuals classified as Title XIX in Table A		Follow standard CMS 64.9 Category of Service Definitions	Date of service	MAP	Y	10/1/2012	06/30/2028
New Adult Group	Affordable Care Act new adult group, described in 1902(a)(10)(A)(i)(VIII) and 42 CFR 435.119		Follow standard CMS 64.9 Category of Service Definitions	Date of service	MAP	Y	7/1/2013	06/30/2028
ABD	Individuals classified as ABD in Table A		Follow standard CMS 64.9 Category of Service Definitions	Date of service	MAP	Y	10/1/2012	06/30/2028

LTC	Individuals classified as LTC in Table A		Follow standard CMS 64.9 Category of Service Definitions	Date of service	MAP	Y	10/1/2012	06/30/2028
HCBS – State Plan	Individuals classified as HCBS State Plan in Table A		Follow standard CMS 64.9 Category of Service Definitions	Date of service	MAP	Y	10/1/2012	06/30/2028
HCBS – 217 Like	Individuals enrolled in MLTSS who live in the community and are not eligible under state plan.		Follow standard CMS 64.9 Category of Service Definitions	Date of service	MAP	Y	10/1/2012	06/30/2028
SED – 217 Like	Reports on children in the SED program who are not eligible under state plan, and who have incomes of 300% of FBR or less.		Follow standard CMS 64.9 Category of Service Definitions	Date of service	MAP	Y	10/1/2012	06/30/2028
IDD – 217 Like	Reports on children in the IDD program who are not eligible under state plan, and who have incomes of 300% of FBR or less.		Follow standard CMS 64.9 Category of Service Definitions	Date of service	MAP	Y	10/1/2012	06/30/2028

Postpartum	Reports on expenditures for Medicaid members in a pregnancy eligibility group from the end of the month in which the 60th postpartum day occurs to the end of the 12th month following the end of the pregnancy		Follow standard CMS 64.9 Category of Service Definitions	Date of service	MAP	Y	10/28/2021	06/30/2028
Community Health Worker Pilot	Report on expenditures for the state's community health workers program pilot to provide evidence-based services within defined communities		Follow standard CMS 64.9 or 64.10 Category of Service Definitions	Date of service	MAP/ADM	N	01/01/2024	06/30/2028
Home Visiting Pilot	Report on expenditures under the New Jersey Home Visiting Pilot Program		Follow standard CMS 64.9 Category of Service Definitions	Date of service	MAP	Y	1/1/2024	06/30/2028
Hypo Community Care Program	Report on expenditures for health-care related		Follow standard CMS 64.9 Category of	Date of service	MAP	Y	4/1/2023	06/30/2028

	costs for individuals in the Community Care Program		Service Definitions					
Financial Eligibility (OPG)	Report on expenditures for health-care related costs up to 12 months for individuals under the guardianship of the OPG during the expedited eligibility determination period		Follow standard CMS 64.9 Category of Service Definitions	Date of service	MAP	Y	7/1/2019	06/30/2028
Hypo Supports	Report on expenditures for health-related cost for individuals in the Supports Program		Follow standard CMS 64.9 Category of Service Definitions	Date of service	MAP	Y	4/1/2023	06/30/2028
Hypo IDD at Risk	Report on children in the CSSP IDD program who are not eligible under state plan, and who have incomes of more than 300% of FBR.		Follow standard CMS 64.9 Category of Service Definitions	Date of service	MAP	Y	4/1/2023	06/30/2028

Hypo SED at Risk	Report on children in the CSSP SED program who are not eligible under state plan, and who have incomes of more than 300% of FBR.		Follow standard CMS 64.9 Category of Service Definitions	Date of service	MAP	Y	4/1/2023	06/30/2028
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ADM – administration; DY – demonstration year; MAP – medical assistance payments; MEG – Medicaid expenditure group;

14.12. **Demonstration Years.** Demonstration Years (DY) for this demonstration are defined in the table below.

Table F: Demonstration Years		
Demonstration Year 11	July 1, 2022 to March 31, 2023	9 months
Demonstration Year 12	April 1, 2023 to June 30, 2023	3 months
Demonstration Year 13	July 1, 2023 to June 30, 2024	12 months
Demonstration Year 14	July 1, 2024 to June 30, 2025	12 months
Demonstration Year 15	July 1, 2025 to June 30, 2026	12 months
Demonstration Year 16	July 1, 2026 to June 30, 2027	12 months
Demonstration Year 17	July 1, 2027 to June 30, 2028	12 months

14.13. **Calculating the Federal Medical Assistance Percentage (FMAP) for Continuous Eligibility for the Adult Group.** Because not all “newly eligible” individuals in the Adult Group as defined in 42 CFR 433.204(a)(1) would be eligible for the entire continuous eligibility period if the state conducted redeterminations, CMS has determined a percentage of expenditures for individuals defined in 42 CFR 433.204(a)(1) will be matched at the state’s regular Title XIX FMAP rate. After approval of these authorities, the state must submit for CMS approval, a protocol specifying its proposed methodology for calculating this percentage (Attachment T). The state must submit the Continuous Eligibility Calculation Methodology Protocol at least 90 days prior to the implementation of Continuous Eligibility, and the state may not implement Continuous Eligibility for the Adult Group until the protocol has been approved by CMS.

14.14. **State Reporting for the Continuous Eligibility FMAP Adjustment.** A reduced percentage of expenditures for “newly eligible” individuals in the Adult Group as defined

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in 42 CFR 433.204(a)(1) shall be claimed at the “newly eligible” FMAP rate as defined in 42 CFR 433.10(c)(6), as described in STC 14.13 above. The state must make adjustments on the applicable CMS-64 waiver forms to claim the remaining percent or other applicable percentage of expenditures for individuals defined in 42 CFR 433.204(a)(1) at the state’s regular Title XIX FMAP rate.

- 14.15. **Budget Neutrality Monitoring Tool.** The state must provide CMS with quarterly budget neutrality status updates, including established baseline and member months data, using the Budget Neutrality Monitoring Tool provided through the performance metrics database and analytics (PMDA) system. The tool incorporates the “Schedule C Report” for comparing the demonstration’s actual expenditures to the budget neutrality expenditure limits described in Section 2. CMS will provide technical assistance, upon request.⁵
- 14.16. **Claiming Period.** The state will report all claims for expenditures subject to the budget neutrality agreement (including any cost settlements) within two years after the calendar quarter in which the state made the expenditures. All claims for services during the demonstration period (including any cost settlements) must be made within two years after the conclusion or termination of the demonstration. During the latter two-year period, the state will continue to identify separately net expenditures related to dates of service during the operation of the demonstration on the CMS-64 waiver forms in order to properly account for these expenditures in determining budget neutrality.
- 14.17. **Future Adjustments to Budget Neutrality.** CMS reserves the right to adjust the budget neutrality expenditure limit:
 - a. To be consistent with enforcement of laws and policy statements, including regulations and guidance, regarding impermissible provider payments, health care related taxes, or other payments. CMS reserves the right to make adjustments to the budget neutrality limit if any health care related tax that was in effect during the base year, or provider-related donation that occurred during the base year, is determined by CMS to be in violation of the provider donation and health care related tax provisions of Section 1903(w) of the Act. Adjustments to annual budget targets will reflect the phase out of impermissible provider payments by law or regulation, where applicable.
 - b. To the extent that a change in federal law, regulation, or policy requires either a reduction or an increase in FFP for expenditures made under this demonstration. In

⁵ Per 42 CFR 431.420(a)(2), states must comply with the terms and conditions of the agreement between the Secretary (or designee) and the state to implement a demonstration project, and 431.420(b)(1) states that the terms and conditions will provide that the state will perform periodic reviews of the implementation of the demonstration. CMS’s current approach is to include language in STCs requiring, as a condition of demonstration approval, that states provide, as part of their periodic reviews, regular reports of the actual costs which are subject to the budget neutrality limit. CMS has obtained Office of Management and Budget (OMB) approval of the monitoring tool under the Paperwork Reduction Act (OMB Control No. 0938 – 1148) and states agree to use the tool as a condition of demonstration approval.

this circumstance, the state must adopt, subject to CMS approval, a modified budget neutrality agreement as necessary to comply with such change. The modified agreement will be effective upon the implementation of the change. The trend rates for the budget neutrality agreement are not subject to change under this STC. The state agrees that if mandated changes in the federal law require state legislation, the changes shall take effect on the day such state legislation becomes effective, or on the last day such legislation was required to be in effect under the federal law.

The state certifies that the data it provided to establish the budget neutrality expenditure limit are accurate based on the state's accounting of recorded historical expenditures or the next best available data, that the data are allowable in accordance with applicable federal, state, and local statutes, regulations, and policies, and that the data are correct to the best of the state's knowledge and belief. The data supplied by the state to set the budget neutrality expenditure limit are subject to review and audit, and if found to be inaccurate, will result in a modified budget neutrality expenditure limit.

- 14.18. **Budget Neutrality Mid-Course Correction Adjustment Request.** No more than once per demonstration year, the state may request that CMS make an adjustment to its budget neutrality agreement based on changes to the state's Medicaid expenditures that are unrelated to the demonstration and/or outside the state's control, and/or that result from a new expenditure that is not a new demonstration-covered service or population and that is likely to further strengthen access to care.
- a. **Contents of Request and Process.** In its request, the state must provide a description of the expenditure changes that led to the request, together with applicable expenditure data demonstrating that due to these expenditures, the state's actual costs have exceeded the budget neutrality cost limits established at demonstration approval. The state must also submit the budget neutrality update described in STC 14.16.c. If approved, an adjustment could be applied retrospectively to when the state began incurring the relevant expenditures, if appropriate. Within 120 days of acknowledging receipt of the request, CMS will determine whether the state needs to submit an amendment pursuant to STC 3.7. CMS will evaluate each request based on its merit and will approve requests when the state establishes that an adjustment to its budget neutrality agreement is necessary due to changes to the state's Medicaid expenditures that are unrelated to the demonstration and/or outside of the state's control, and/or that result from a new expenditure that is not a new demonstration-covered service or population and that is likely to further strengthen access to care.
 - b. **Types of Allowable Changes.** Adjustments will be made only for actual costs as reported in expenditure data. CMS will not approve mid-demonstration adjustments for anticipated factors not yet reflected in such expenditure data. Examples of the types of mid-course adjustments that CMS might approve include the following:
 - i. Provider rate increases that are anticipated to further strengthen access to care;

- ii. CMS or state technical errors in the original budget neutrality formulation applied retrospectively, including, but not limited to the following: mathematical errors, such as not aging data correctly; or unintended omission of certain applicable costs of services for individual MEGs;
 - iii. Changes in federal statute or regulations, not directly associated with Medicaid, which impact expenditures;
 - iv. State legislated or regulatory change to Medicaid that significantly affects the costs of medical assistance;
 - v. When not already accounted for under Emergency Medicaid 1115 demonstrations, cost impacts from public health emergencies;
 - vi. High cost innovative medical treatments that states are required to cover; or,
 - vii. Corrections to coverage/service estimates where there is no prior state experience (e.g., SUD) or small populations where expenditures may vary widely.
- c. **Budget Neutrality Update.** The state must submit an updated budget neutrality analysis with its adjustment request, which includes the following elements:
- i. Projected without waiver and with waiver expenditures, estimated member months, and annual limits for each DY through the end of the approval period; and,
 - ii. Description of the rationale for the mid-course correction, including an explanation of why the request is based on changes to the state’s Medicaid expenditures that are unrelated to the demonstration and/or outside the state’s control, and/or is due to a new expenditure that is not a new demonstration-covered service or population and that is likely to further strengthen access to care.

15. MONITORING BUDGET NEUTRALITY FOR THE DEMONSTRATION

15.1. **Limit on Title XIX Funding.** The state will be subject to limits on the amount of federal Medicaid funding the state may receive over the course of the demonstration approval. The budget neutrality expenditure limits are based on projections of the amount of FFP that the state would likely have received in the absence of the demonstration. The limit consists of a Main Budget Neutrality Test, one or more Hypothetical Budget Neutrality Tests, and a Capped Hypothetical Budget Neutrality Test, as described below. CMS’s assessment of the state’s compliance with these tests will be based on the Schedule C CMS-64 Waiver Expenditure Report, which summarizes the expenditures reported by the state on the CMS-64 that pertain to the demonstration.

15.2. **Risk.** The budget neutrality expenditure limits are determined on either a per capita or aggregate basis as described in Table D, Master MEG Chart and Table E, MEG Detail for Expenditure and Member Month Reporting. If a per capita method is used, the state is at

risk for the per capita cost for state plan and hypothetical populations, but not for the number of participants in the demonstration population. By providing FFP without regard to enrollment in the demonstration for all demonstration populations, CMS will not place the state at risk for changing economic conditions; however, by placing the state at risk for the per capita costs of the demonstration populations, CMS assures that the demonstration expenditures do not exceed the levels that would have been realized had there been no demonstration. If an aggregate method is used, the state accepts risk for both enrollment and per capita costs.

- 15.3. **Calculation of the Budget Neutrality Limits and They Are Applied.** To calculate the budget neutrality limits for the demonstration, separate annual budget limits are determined for each DY on a total computable basis. Each annual budget limit is the sum of one or more components: per capita components, which are calculated as a projected without-waiver PMPM cost times the corresponding actual number of member months, and aggregate components, which project fixed total computable dollar expenditure amounts. The annual limits for all DYs are then added together to obtain a budget neutrality limit for the entire demonstration period. The federal share of this limit will represent the maximum amount of FFP that the state may receive during the demonstration period for the types of demonstration expenditures described below. The federal share will be calculated by multiplying the total computable budget neutrality expenditure limit by the appropriate Composite Federal Share.
- 15.4. **Main Budget Neutrality Test.** The Main Budget Neutrality Test allows the state to show that approval of the demonstration has not resulted in Medicaid costs to the federal government that are greater than what the federal government’s Medicaid costs would likely have been absent the demonstration, and that federal Medicaid “savings” have been achieved sufficient to offset the additional projected federal costs resulting from expenditure authority. The table below identifies the MEGs that are used for the Main Budget Neutrality Test. MEGs designated as “WOW Only” or “Both” are components used to calculate the budget neutrality expenditure limit. MEGs that are indicated as “WW Only” or “Both” are counted as expenditures against the budget neutrality expenditure limit. In addition, any expenditures in excess of the limit from Hypothetical Budget Neutrality Tests count as expenditures under the Main Budget Neutrality Test. However, excess expenditures from the Capped Hypothetical Budget Neutrality Test do not count as expenditures under the Main Budget Neutrality Test. The state is at risk for any amount over the capped hypothetical amount. The Composite Federal Share for this test is calculated based on all MEGs indicated as “Both.”

Table G: Main Budget Neutrality Test

MEG	PC or Agg*	WOW Only, WW Only, or BOTH	Trend Rate	DY 12	DY 13	DY 14	DY 15	DY 16	DY 17
Title XIX	PC	Both	4.8%	\$391.14	\$402.77	\$422.10	\$442.36	\$463.59	\$485.84
ABD	PC	Both	4.5%	\$1,316.74	\$1,353.47	\$1,414.38	\$1,478.03	\$1,544.54	\$1,614.04
LTC	PC	Both	6.2%	\$6,987.06	\$7,254.75	\$7,704.54	\$8,182.22	\$8,689.52	\$9,228.27
HCBS – State Plan	PC	Both	6.2%	\$5,481.38	\$5,691.38	\$6,044.25	\$6,418.99	\$6,816.97	\$7,239.62
Home Visiting Pilot	Agg	WW	3%	\$375,000	\$1,511,250	\$1,556,588	\$1,603,285	\$1,651,384	\$1,700,925
BH PIP	Agg	WW	0%	\$0	\$6,000,000	\$6,000,000	\$6,000,000	\$6,000,000	\$6,000,000

Financial Eligibility (OPG)	Agg	WW	3%	\$149,798	\$603,686	\$621,797	\$640,450	\$659,664	\$679,454
Community Health Worker Pilot	Agg	WW	0%	\$0	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000

15.5. **Hypothetical Budget Neutrality.** When expenditure authority is provided for coverage of populations or services that the state could have otherwise provided through its Medicaid state plan or other title XIX authority (such as a waiver under Section 1915 of the Act), or when a WOW spending baseline for certain WW expenditures is difficult to estimate due to variable and volatile cost data resulting in anomalous trend rates, CMS considers these expenditures to be “hypothetical,” such that the expenditures are treated as if the state could have received FFP for them absent the demonstration. For these hypothetical expenditures, CMS makes adjustments to the budget neutrality test which effectively treats these expenditures as if they were for approved Medicaid state plan services. Hypothetical expenditures, therefore, do not necessitate savings to offset the expenditures on those services. When evaluating budget neutrality, however, CMS does not offset non-hypothetical expenditures with projected or accrued savings from hypothetical expenditures; that is, savings are not generated from a hypothetical population or service. To allow for hypothetical expenditures, while preventing them from resulting in savings, CMS currently applies separate, independent Hypothetical Budget Neutrality Tests, which subject hypothetical expenditures to pre-determined limits to which the state and CMS agree, and that CMS approves, as a part of this demonstration approval. If the state’s WW hypothetical spending exceeds the Hypothetical Budget Neutrality Test’s expenditure limit, the state agrees (as a condition of CMS approval) to offset that excess spending through savings elsewhere in the demonstration or to refund the FFP to CMS.

15.6. **Hypothetical Budget Neutrality Test 1: SUD.** The table below identifies the MEGs that are used for Hypothetical Budget Neutrality Test 1. MEGs that are designated “WOW Only” or “Both” are the components used to calculate the budget neutrality expenditure limit. The Composite Federal Share for the Hypothetical Budget Neutrality Test is calculated based on all MEGs indicated as “WW Only” or “Both.” MEGs that are indicated as “WW Only” or “Both” are counted as expenditures against this budget neutrality expenditure limit. Any expenditures in excess of the limit from Hypothetical Budget Neutrality Test 1 are counted as WW expenditures under the Main Budget Neutrality Test.

Table H: Hypothetical Budget Neutrality Test 1

MEG	PC or Agg	WO W Only, WW Only, or Both	Trend Rate	DY 12	DY 13	DY 14	DY 15	DY 16	DY17
SUD 1	PC	Both	5.5 %	\$5,462.67	\$5,648.56	\$5,959.23	\$6,286.99	\$6,632.77	\$6,997.57
SUD 2	PC	Both	5.5 %	\$3,584.2	\$3,706.1	\$3,910.0	\$4,125.0	\$4,351.9	\$4,591.30
SUD 3	PC	Both	5.5 %	\$3,268.03	\$3,379.24	\$3,565.10	\$3,761.18	\$3,968.04	\$4,186.28

15.7. **Hypothetical Budget Neutrality Test 2: HCBS-like Eligibility Groups.** The table below identifies the MEGs that are used for Hypothetical Budget Neutrality Test 2. MEGs that are designated “WOW Only” or “Both” are the components used to calculate the budget neutrality expenditure limit. The Composite Federal Share for the Hypothetical Budget Neutrality Test is calculated based on all MEGs indicated as “WW Only” or “Both.” MEGs that are indicated as “WW Only” or “Both” are counted as expenditures against this budget neutrality expenditure limit. Any expenditures in excess of the limit from Hypothetical Budget Neutrality Test 2 are counted as WW expenditures under the Main Budget Neutrality Test.

MEG	PC or Agg	WO W Only, WW Only, or Both	Trend Rate	DY 12	DY 13	DY 14	DY 15	DY 16	DY 17
HCBS	PC	Both	6.2 %	\$5,031.41	\$5,224.17	\$5,548.07	\$5,892.05	\$6,257.36	\$6,645.32
SED	PC	Both	5%	\$4,638.35	\$4,781.97	\$5,021.07	\$5,272.12	\$5,535.73	\$5,812.52
IDDM I	PC	Both	4.9 %	\$4,963.27	\$5,113.90	\$5,364.48	\$5,627.34	\$5,903.08	\$6,192.33

15.8. **Hypothetical Budget Neutrality Test 3: New Adult Group.** The table below identifies the MEGs that are used for Hypothetical Budget Neutrality Test 3. MEGs that are designated “WOW Only” or “Both” are the components used to calculate the budget neutrality expenditure limit. The Composite Federal Share for the Hypothetical Budget Neutrality Test is calculated based on all MEGs indicated as “WW Only” or “Both.” MEGs that are indicated as “WW Only” or “Both” are counted as expenditures against

this budget neutrality expenditure limit. Any expenditures in excess of the limit from Hypothetical Budget Neutrality Test 3 are counted as WW expenditures under the Main Budget Neutrality Test.

Table J: Hypothetical Budget Neutrality Test 3									
MEG	PC or Agg	WOW Only, WW Only, or Both	Trend Rate	DY 12-PMPM	DY 13 PMPM	DY 14 PMPM	DY 15 PMPM	DY 16 PMPM	DY 17 PMPM
New Adult Group	PC	Both	5.5%	\$643.94	\$665.85	\$702.47	\$741.11	\$781.87	\$824.87

15.9. **Hypothetical Budget Neutrality Test 4: Postpartum Extension.** The table below identifies the MEGs that are used for Hypothetical Budget Neutrality Test 4. MEGs that are designated “WOW Only” or “Both” are the components used to calculate the budget neutrality expenditure limit. The Composite Federal Share for the Hypothetical Budget Neutrality Test is calculated based on all MEGs indicated as “WW Only” or “Both.” MEGs that are indicated as “WW Only” or “Both” are counted as expenditures against this budget neutrality expenditure limit. Any expenditures in excess of the limit from Hypothetical Budget Neutrality Test 3 are counted as WW expenditures under the Main Budget Neutrality Test.

Table K: Hypothetical Budget Neutrality Test 4									
MEG	PC or Agg	WOW Only, WW Only, or Both	Trend Rate	DY 12 PMPM	DY 13 PMPM	DY 14 PMPM	DY 15 PMPM	DY 16 PMPM	DY 17 PMPM
Postpartum Extension	PC	Both	5.1%	\$428.00	\$441.52	\$464.04	\$487.71	\$512.58	\$538.72

15.10. **Hypothetical Budget Neutrality Test 5: Caregiver Supports.** The table below identifies the MEGs that are used for Hypothetical Budget Neutrality Test 5. MEGs that are designated “WOW Only” or “Both” are the components used to calculate the budget neutrality expenditure limit. The Composite Federal Share for the Hypothetical Budget Neutrality Test is calculated based on all MEGs indicated as “WW Only” or “Both.” MEGs that are indicated as “WW Only” or “Both” are counted as expenditures against this budget neutrality expenditure limit. Any expenditures in excess of the limit from Hypothetical Budget Neutrality Test 5 are counted as WW expenditures under the Main Budget Neutrality Test.

Table L: Hypothetical Budget Neutrality Test 5									
MEG	PC or Agg	WOW Only, WW Only, or Both	Trend Rate	DY 12 PMPM	DY 13 PMPM	DY 14 PMPM	DY 15 PMPM	DY 16 PMPM	DY 17 PMPM
Caregiver Supports – Respite	PC	Both	4.5%	\$4,600.00	\$4,728.31	\$4,941.08	\$5,163.43	\$5,395.78	\$5,638.59
Caregiver Supports - Therapy	PC	Both	4.5%	\$200.00	\$205.58	\$214.83	\$224.50	\$234.60	\$245.16

15.11. **Hypothetical Budget Neutrality Test 6: Continuous Eligibility.** The table below identifies the MEGs that are used for Hypothetical Budget Neutrality Test 6. MEGs that are designated “WOW Only” or “Both” are the components used to calculate the budget neutrality expenditure limit. The Composite Federal Share for the Hypothetical Budget Neutrality Test is calculated based on all MEGs indicated as “WW Only” or “Both.” MEGs that are indicated as “WW Only” or “Both” are counted as expenditures against this budget neutrality expenditure limit. Any expenditures in excess of the limit from Hypothetical Budget Neutrality Test 6 are counted as WW expenditures under the Main Budget Neutrality Test.

Table M: Hypothetical Budget Neutrality Test 6									
MEG	PC or Agg	WOW Only, WW Only, or Both	Trend Rate	DY 12 PMPM	DY 13 PMPM	DY 14 PMPM	DY 15 PMPM	DY 16 PMPM	DY 17 PMPM
Continuous Eligibility – Title XIX	PC	Both	4.8%	\$391.14	\$402.77	\$422.10	\$442.36	\$463.59	\$485.84
Continuous Eligibility – New Adult Group	PC	Both	5.5%	\$643.94	\$665.85	\$702.47	\$741.11	\$781.87	\$824.87

15.12. **Hypothetical Budget Neutrality Test 7: Community Care Program.** The table below identifies the MEGs that are used for Hypothetical Budget Neutrality Test 7. MEGs that are designated “WOW Only” or “Both” are the components used to calculate the budget neutrality expenditure limit. The Composite Federal Share for the Hypothetical Budget Neutrality Test is calculated based on all MEGs indicated as “WW Only” or “Both.”

MEGs that are indicated as “WW Only” or “Both” are counted as expenditures against this budget neutrality expenditure limit. Any expenditures in excess of the limit from Hypothetical Budget Neutrality Test 7 are counted as WW expenditures under the Main Budget Neutrality Test.

Table M: Hypothetical Budget Neutrality Test 7									
MEG	PC or Agg	WO W Only, WW Only, or Both	Trend Rate	DY 12 PMPM	DY 13 PMPM	DY 14 PMPM	DY 15 PMPM	DY 16 PMPM	DY 17 PMPM
Hypo Community Care Program	PC	Both	4.9 %	\$13,602.41	\$14,015.24	\$14,701.99	\$15,422.39	\$16,178.09	\$16,970.82

15.13. **Hypothetical Budget Neutrality Test 8: Supports.** The table below identifies the MEGs that are used for Hypothetical Budget Neutrality Test 8. MEGs that are designated “WOW Only” or “Both” are the components used to calculate the budget neutrality expenditure limit. The Composite Federal Share for the Hypothetical Budget Neutrality Test is calculated based on all MEGs indicated as “WW Only” or “Both.” MEGs that are indicated as “WW Only” or “Both” are counted as expenditures against this budget neutrality expenditure limit. Any expenditures in excess of the limit from Hypothetical Budget Neutrality Test 8 are counted as WW expenditures under the Main Budget Neutrality Test.

Table O: Hypothetical Budget Neutrality Test 8									
MEG	PC or Agg	WO W Only, WW Only, or Both	Trend Rate	DY 12 PMPM	DY 13 PMPM	DY 14 PMPM	DY 15 PMPM	DY 16 PMPM	DY 17 PMPM
Hypo Supports	PC	Both	5.5 %	\$3,592.99	\$3,715.26	\$3,919.60	\$4,135.18	\$4,362.61	\$4,602.55
Hypo IDD at Risk	PC	Both	4.9 %	\$1,559	\$1,606.32	\$1,685.03	\$1,767.60	\$1,854.21	\$1,945.07
Hypo SED at Risk	PC	Both	5%	\$1,318.45	\$1,359.27	\$1,427.23	\$1,498.59	\$1,573.52	\$1,652.20

15.14. **Hypothetical Budget Neutrality Test 9: Autism Adjunct Services Pilot.** The table below identifies the MEGs that are used for Hypothetical Budget Neutrality Test 9. MEGs that are designated “WOW Only” or “Both” are the components used to calculate the budget neutrality expenditure limit. The Composite Federal Share for the Hypothetical Budget Neutrality Test is calculated based on all MEGs indicated as “WW Only” or “Both.” MEGs that are indicated as “WW Only” or “Both” are counted as expenditures against this budget neutrality expenditure limit. Any expenditures in excess of the limit from Hypothetical Budget Neutrality Test 9 are counted as WW expenditures under the Main Budget Neutrality Test.

Table K: Hypothetical Budget Neutrality Test 9									
MEG	PC or Agg	WOW Only, WW Only, or Both	Trend Rate	DY 12 PMPM	DY 13 PMPM	DY 14 PMPM	DY 15 PMPM	DY 16 PMPM	DY 17 PMPM
Autism Adjunct Services Pilot	PC	Both	5.1%	\$360.00	\$371.15	\$389.71	\$409.20	\$429.66	\$451.14

15.15. **Capped Hypothetical Budget Neutrality for Evidence-Based HRSN Initiatives.** When expenditure authority is provided for specified HRSN initiatives in the demonstration (in this approval, as specified in section 10), CMS considers these expenditures to be “capped hypothetical” expenditures; that is, the expenditures are eligible to receive FFP up to a specific aggregate spending cap per demonstration year, based on the state’s expected expenditures. States can also receive FFP for capacity-building, infrastructure, and operational costs for the HRSN initiatives; this FFP is limited by a sub-cap of the aggregate spending cap and is determined by CMS based on the amount the state expects to spend. Like all hypothetical expenditures, capped hypothetical expenditures do not need to be offset by savings, and cannot produce savings; however, unspent expenditure authority allocated for HRSN infrastructure in a given demonstration year can be applied to HRSN services in the same demonstration year. Any unspent HRSN services expenditure authority may not be used to fund HRSN infrastructure. To allow for capped hypothetical expenditures and to prevent them from resulting in savings that would apply to the rest of the demonstration, CMS currently applies a separate, independent Capped Hypothetical Budget Neutrality Test, which subjects capped hypothetical expenditures to pre-determined aggregate limits to which the state and CMS agree, and that CMS approves, as a part of this demonstration approval. If actual HRSN initiative spending is less than the Capped Hypothetical Budget Neutrality Test’s expenditure limit for a given demonstration year, the difference is not considered demonstration savings. Unspent HRSN expenditure authority under the cap for each demonstration year can be carried, shifted, or transferred across future demonstration years. However, unspent HRSN expenditure authority cannot roll over to the next demonstration approval period. If the state’s capped hypothetical spending exceeds the Capped Hypothetical Budget Neutrality Test’s expenditure limit, the state agrees (as a condition of CMS approval) to refund any

FFP in excess of the cap to CMS. Demonstration savings from the Main Budget Neutrality Test cannot be used to offset excess spending for the capped hypothetical.

- 15.16. **Capped Hypothetical Budget Neutrality Test: HRSN.** The table below identifies the MEGs that are used for the Capped Hypothetical Budget Neutrality Test. MEGs that are designated “WOW Only” or “Both” are the components used to calculate the budget neutrality expenditure limit. The Composite Federal Share for the Capped Hypothetical Budget Neutrality Test is calculated based on all MEGs indicated as “WW Only” or “Both.” MEGs that are indicated as “WW Only” or “Both” are counted as expenditures against this budget neutrality expenditure limit. Any expenditures in excess of the limit from the Capped Hypothetical Budget Neutrality Test cannot be offset by savings under the Main Budget Neutrality Test or the Hypothetical Budget Neutrality Tests.

Table P: Capped Hypothetical Budget Neutrality Test								
MEG	PC or Agg	WO W Only , WW Only	DY 12	DY 13	DY 14	DY 15	DY 16	DY 17
HRSN Services	Agg	Both	\$28,712,227	\$117,729,467	\$129,545,540	\$142,567,193	\$156,918,656	\$172,737,040
HRSN Infrastructure	Agg	Both	\$3,750,000	\$15,000,000	\$15,000,000	\$15,000,000	\$15,000,000	\$15,000,000

- 15.17. **Composite Federal Share Ratios.** The Composite Federal Share is the ratio that will be used to convert the total computable budget neutrality limit to federal share. The Composite Federal Share is the ratio calculated by dividing the sum total of FFP received by the state on actual demonstration expenditures during the approval period by total computable demonstration expenditures for the same period, as reported through the MBES/CBES and summarized on Schedule C. Since the actual final Composite Federal Share will not be known until the end of the demonstration’s approval period, for the purpose of interim monitoring of budget neutrality, a reasonable estimate of Composite Federal Share may be developed and used through the same process or through an alternative mutually agreed to method. Each Budget Neutrality Test has its own Composite Federal Share, as defined in the paragraph pertaining to each particular test.
- 15.18. **Exceeding Budget Neutrality.** CMS will enforce the budget neutrality agreement over the demonstration period, which extends from April 1, 2023 to June 30, 2028. The Main Budget Neutrality Test for this demonstration period may incorporate carry-forward savings, that is, net savings, from up to 10 years of the immediately prior demonstration

approval period(s) (excluding temporary extension periods) (July 1, 2012 to June 30, 2022). If at the end of the demonstration approval period the Main Budget Neutrality Test or a Capped Hypothetical Budget Neutrality Test has been exceeded, the excess federal funds will be returned to CMS. If the demonstration is terminated prior to the end of the budget neutrality agreement, the budget neutrality test shall be based on the time elapsed through the termination date.

- 15.19. **Budget Neutrality Savings Cap.** The amount of savings available for use by the state during this demonstration period will be limited to the lower of these two amounts: 1) the savings amount the state has available in the current demonstration period, including carry-forward savings as described in STC 15.17 or 2) 15 percent of the state’s projected total Medicaid expenditures in aggregate for this demonstration period. This projection will be determined by taking the state’s total Medicaid spending amount in its most recent year with completed data and trending it forward by the President’s Budget trend rate for this demonstration period. Fifteen percent of the state’s total projected Medicaid expenditures for this demonstration period is \$19,472,302,530.
- 15.20. **Corrective Action Plan.** If at any time during the demonstration approval period CMS determines that the demonstration is on course to exceed its budget neutrality expenditure limit, CMS will require the state to submit a corrective action plan for CMS review and approval. CMS will use the threshold levels in the tables below as a guide for determining when corrective action is required.

Table Q. Budget Neutrality Test Corrective Action Plan Calculation		
Demonstration Year	Cumulative Target Definition	Percentage
DY12	Cumulative budget neutrality limit plus:	2.0 percent
DY12 through DY13	Cumulative budget neutrality limit plus:	1.5 percent
DY12 through DY14	Cumulative budget neutrality limit plus:	1.0 percent
DY12 through DY15	Cumulative budget neutrality limit plus:	0.5 percent
DY12 through DY16	Cumulative budget neutrality limit plus:	0.0 percent
DY12 through DY17	Cumulative budget neutrality limit plus:	0.0 percent

16. FINANCIAL AND ALLOTMENT NEUTRALITY MONITORING REQUIREMENTS UNDER TITLE XXI

- 16.1. **Reporting Expenditures Subject to the Title XXI Allotment.** The following describes the reporting of title XXI expenditures authorized under this demonstration, subject to the state’s title XXI allotment limit:
- a. **Tracking Expenditures.** In order to track expenditures under this demonstration, the state must report demonstration expenditures through the Medicaid and State

Children’s Health Insurance Program Budget and Expenditure System (MBES/CBES), following routine CMS-21 and CMS 64 reporting instructions as outlined in Section 2115 of the State Medicaid Manual.

- b. **Use of Waiver Forms.** Title XXI demonstration expenditures will be reported on the following separate forms designed for the XXI funded Medicaid expansion population (i.e., Forms 64.21U Waiver and/or CMS-64.21UP Waiver) and the title XXI funded separate CHIP population (i.e., Forms CMS-21 Waiver and/or CMS-21P Waiver), identified by the demonstration project number assigned by CMS (including project number extension, which indicates the demonstration year in which services were rendered or for which capitation payments were made). The state must submit separate forms CMS-21 and CMS-21P waiver forms for each title XXI demonstration population.
- c. **Premiums.** Any premium contributions under the demonstration shall be reported to CMS on Form CMS-21 Waiver and the CMS-64.21U Waiver forms (specifically lines 1A through 1D as applicable for each title XXI demonstration that is subject to premiums in order to assure that the demonstration is properly credited with premium collections.
- d. **Claiming Period.** All claims for expenditures related to the demonstration (including any cost settlements) must be made within two years after the calendar quarter in which the state made the expenditures. Furthermore, all claims for services during the demonstration period (including cost settlements) must be made within two years after the conclusion or termination of the demonstration. During the latter two-year period, the state must continue to identify separately, on the CMS-21 and CMS 64.21U waiver forms, net expenditures related to dates of service during the operation of the demonstration.

16.2. **Standard CHIP Funding Process.** The standard CHIP funding process will be used during the demonstration. The state will estimate matchable CHIP expenditures on the quarterly Form CMS-21B for the title XXI funded separate CHIP population and CMS-37 for the title XXI funded Medicaid expansion population. On these forms estimating expenditures for the title XXI funded demonstration populations, the state shall separately identify estimates of expenditures for each applicable title XXI demonstration population.

- a. CMS will make federal funds available based upon the state’s estimate, as approved by CMS. Within 30 days after the end of each quarter, the state must report demonstration expenditures through Form CMS-21 W and/or CMS-21P W Waiver for the title XXI funded separate CHIP population and report demonstration expenditures for the title XXI funded Medicaid expansion population through Form 64.21U Waiver and/or CMS-64.21UP Waiver. Expenditures reported on the waiver forms must be identified by the demonstration project number assigned by CMS (including project number extension, which indicated the demonstration year in which services were rendered or for which capitation payments were made). CMS will reconcile expenditures reported on the CMS-21W/CMS-21P Waiver and the

CMS 64.21U Waiver/CMS 64.21UP Waiver forms with federal funding previously made available to the state, and include the reconciling adjustment in the finalization of the grant award to the state.

- 16.3. **Title XXI Administrative Costs.** Administrative costs will not be included in the allotment neutrality limit. All administrative costs (i.e., costs associated with the title XXI state plan and the title XXI funded demonstration populations identified in these STCs) are subject to the title XXI 10 percent administrative cap as described in Section 2105(c)(2)(A) of the Act.
- 16.4. **Limit on Title XXI Funding.** The state will be subject to a limit on the amount of federal title XXI funding that the state may receive on eligible CHIP state plan populations and the CHIP demonstration populations described in STC 8.1 during the demonstration period. Federal title XXI funds for the state's CHIP program (i.e., the approved title XXI state plan and the demonstration populations identified in these STCs) are restricted to the state's available allotment and reallocated funds. Title XXI funds (i.e., the allotment or reallocated funds) must first be used to fully fund costs associated with CHIP state plan populations. Demonstration expenditures are limited to remaining funds.
- 16.5. **Exhaustion of Title XXI Funds.** If the state exhausts title XXI funds, expenditures for the title XXI funded CHIP populations described in STC 16.4, and as approved with the CHIP state plan, may be claimed as title XIX. The state must notify CMS in writing at least 90 days prior to an expected change in claiming of expenditures for the CHIP populations. The state shall report demonstration expenditures for these individuals on the Forms CMS 64.9W and/or CMS 64.9PW.

17. SCHEDULE OF DELIVERABLES DURING THE DEMONSTRATION

The state is held to all reporting requirements as outlined in the STCs. This schedule of deliverables should serve only as a tool for informational purposes.

Date	Deliverable	STC
30 days after approval date	State acceptance of demonstration Waivers, STCs, and Expenditure Authorities	Approval letter
150 days after approval date	SUD Monitoring Protocol	STC 12.7
60 days after receipt of CMS comments	Revised SUD Monitoring Protocol	STC 12.7
No later than 60 calendar days after December 31, 2025	SUD Mid-Point Assessment Report	STC 12.9
60 days after receipt of CMS comments	Revised SUD Mid-point Assessment Report	STC 12.9
No later than 60 days after demonstration effective date	SUD HIT Plan	STC 6.2
180 days after approval date	Draft Evaluation Design	STC 13.3
60 days after receipt of CMS comments	Revised Evaluation Design	STC 13.4
120 days after approval date	Behavioral Health Interoperability Program Protocol	STC 5.17
At least 180 days prior to intended OPG Financial Eligibility Pilot Program implementation date	OPG Financial Eligibility Implementation Plan	STC 5.14
90 days after approval of demonstration; FFP for HRSN infrastructure and HRSN services is contingent on CMS approval of	Protocols for HRSN Infrastructure and HRSN Services	STC 10.6

Date	Deliverable	STC
these deliverables (separately)		
No later than nine months after demonstration approval	Draft New Initiatives Implementation Plan	STC 12.5
No later than 60 days after receipt of CMS comments	Revised New Initiatives Implementation Plan	STC 12.5
No later than 90 days after demonstration effective date	Provider Payment Rate Increase Assessment Attestation Table	STC 11.14
No later than 90 days after demonstration effective date	Average Medicaid to Medicare fee-for-service provider rate ratio	STCs 11.5 and 11.12
90 days prior to CE implementation	Continuous Eligibility Calculation Methodology Protocol	STC 14.13
One year prior to demonstration expiration or with extension application	Draft Interim Evaluation Report	STC 13.7
60 days after receipt of CMS comments	Revised Interim Evaluation Report	STC 13.7
No later than 18 months after the expiration of this demonstration period	Summative Evaluation Report	STC 13.8
60 days after receipt of CMS comments	Revised Summative Evaluation Report	STC 13.8
No later than 120 days after the end of the demonstration period, applicable only if not to be extended	Draft Close Out Report	STC 12.11
Monthly Deliverables	Monitoring Call	STC 12.12
Quarterly Deliverables Due 30 days after end of each quarter, except 4 th quarter	Quarterly Monitoring Reports	STC 12.8
	Quarterly Expenditure Reports	STC 14.2
	Quarterly Budget Neutrality Report	STC 12.8
Annual Deliverables - Due 90 days after end of each 4 th quarter	Annual Monitoring Reports (including Q4 monitoring information and budget neutrality, and HCBS QIS information)	STC 12.8
21 months before the end of the demonstration	HCBS Evidentiary Report	STC 9.8
90 days after approval of demonstration extension	HCBS Quality Measures	STC 9.8

Attachment A
New Jersey FamilyCare Comprehensive Demonstration
Developing the Evaluation Design

Section 1115 Demonstrations Developing the Evaluation Design

Introduction

For states that are testing new approaches and flexibilities in their Medicaid programs through section 1115 demonstrations, evaluations are crucial to understand and disseminate what is or is not working and why. The evaluations of new initiatives seek to produce new knowledge and direction for programs and inform Medicaid policy for the future. While a narrative about what happened during a demonstration provides important information, the principal focus of the evaluation of a section 1115 demonstration should be obtaining and analyzing data on the process (e.g., whether the demonstration is being implemented as intended), outcomes (e.g., whether the demonstration is having the intended effects on the target population), and impacts of the demonstration (e.g., whether the outcomes observed in the targeted population differ from outcomes in similar populations not affected by the demonstration). Both state and federal governments need rigorous quantitative and qualitative evidence to inform policy decisions.

The evaluation design is the state's plan for how it will accomplish the evaluation. In most cases, states must arrange with an independent evaluator to conduct the evaluation. The state, per the Special Terms and Conditions (STC), is required to submit an evaluation design to CMS for CMS approval after the demonstration is approved. The evaluation design needs to specify the state's hypotheses, evaluation questions, associated measures and analytic methods. To support the development of the evaluation design in accordance with CMS priorities and expectations, CMS is providing the following outline for the evaluation design. It is recommended that states and independent evaluators use this outline to develop the evaluation design for submission to CMS.

The sections in this outline include background, evaluation questions and hypotheses, methodology, methodological limitations, and attachments. It is important to include as much detail as possible when completing this outline, to provide CMS with the best information with which to review the evaluation design.

CMS expects evaluation designs to be rigorous, incorporate baseline and comparison group assessments, as well as statistical significance testing. If the state needs technical assistance using this outline or developing the evaluation design, the state should contact its project officer.

Developing the Evaluation Design Recommended Outline

Expectations for Evaluation Designs

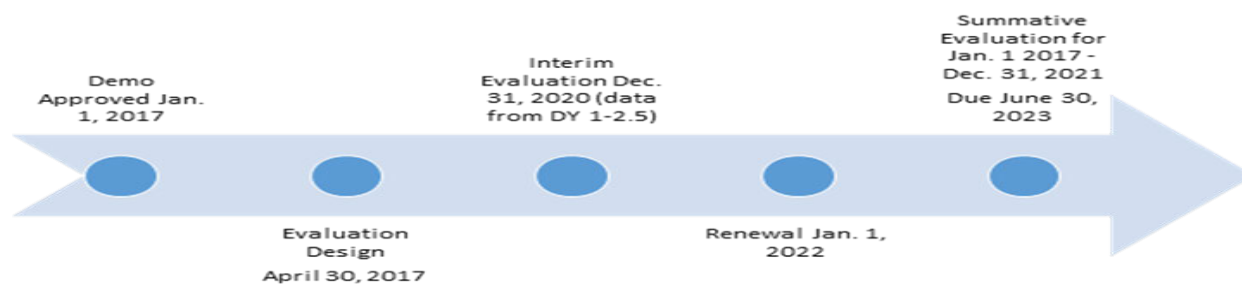
All states with Medicaid section 1115 demonstrations are required to conduct an evaluation, and the Evaluation Design is the roadmap for conducting the evaluation. The roadmap begins with the stated goals for the demonstration followed by the measurable evaluation questions and quantifiable hypotheses, all to support a determination of the extent to which the demonstration has achieved its goals. When conducting analyses and developing the evaluation reports, every effort should be made to follow the approved methodology. However, the state may request, and CMS may agree to, changes in the methodology in appropriate circumstances.

The format for the Evaluation Design is as follows:

- A. General Background Information;
- B. Evaluation Questions and Hypotheses;
- C. Methodology;
- D. Methodological Limitations;
- E. Attachments.

Submission Timelines

There is a specified timeline for the state's submission of Evaluation Design and Reports. (The graphic below depicts an example of this timeline). In addition, the state should be aware that section 1115 evaluation documents are public records. The state is required to publish the Evaluation Design to the state's website within 30 days of CMS approval, as per 42 CFR 431.424(e). CMS will also publish a copy to the Medicaid.gov website.



Required Core Components of All Evaluation Designs

The Evaluation Design sets the stage for the Interim and Summative Evaluation Reports. It is important that the Evaluation Design explain the goals and objectives of the demonstration, the hypotheses related to the demonstration, and the methodology (and limitations) for the evaluation. A copy of the state's Driver Diagram (described in more detail in paragraph B2 below) should be included with an explanation of the depicted information.

A. General Background Information – In this section, the state should include basic information about the demonstration, such as:

- 1) The issue/s that the state is trying to address with its section 1115 demonstration and/or expenditure authorities, the potential magnitude of the issue/s, and why the state selected this course of action to address the issue/s (e.g., a narrative on why the state submitted an 1115 demonstration proposal).
- 2) The name of the demonstration, approval date of the demonstration, and period of time covered by the evaluation;
- 3) A brief description of the demonstration and history of the implementation, and whether the draft Evaluation Design applies to an amendment, extension, renewal, or expansion of, the demonstration;
- 4) For renewals, amendments, and major operational changes: A description of any changes to the demonstration during the approval period; the primary reason or reasons for the change; and how the Evaluation Design was altered or augmented to address these changes.
- 5) Describe the population groups impacted by the demonstration.

B. Evaluation Questions and Hypotheses – In this section, the state should:

- 1) Describe how the state’s demonstration goals are translated into quantifiable targets for improvement, so that the performance of the demonstration in achieving these targets could be measured.
- 2) Include a Driver Diagram to visually aid readers in understanding the rationale behind the cause and effect of the variants behind the demonstration features and intended outcomes. A driver diagram is a particularly effective modeling tool when working to improve health and health care through specific interventions. The diagram includes information about the goal of the demonstration, and the features of the demonstration. A driver diagram depicts the relationship between the aim, the primary drivers that contribute directly to achieving the aim, and the secondary drivers that are necessary to achieve the primary drivers for the demonstration. For an example and more information on driver diagrams:
<https://innovation.cms.gov/files/x/hciatwoaimsdrvrs.pdf>
- 3) Identify the state’s hypotheses about the outcomes of the demonstration:
 - a. Discuss how the evaluation questions align with the hypotheses and the goals of the demonstration;
 - b. Address how the research questions / hypotheses of this demonstration promote the objectives of Titles XIX and/or XXI.

C. Methodology – In this section, the state is to describe in detail the proposed research methodology. The focus is on showing that the evaluation meets the prevailing standards of scientific and academic rigor, and the results are statistically valid and reliable, and that where appropriate it builds upon other published research (use references).

This section provides the evidence that the demonstration evaluation will use the best available data; reports on, controls for, and makes appropriate adjustments for the limitations of the data and their effects on results; and discusses the generalizability of results. This section should provide enough transparency to explain what will be measured and how. Specifically, this section establishes:

- 1) *Evaluation Design* – Provide information on how the evaluation will be designed. For example, will the evaluation utilize a pre/post comparison? A post-only assessment? Will a comparison group be included?
- 2) *Target and Comparison Populations* – Describe the characteristics of the target and comparison populations, to include the inclusion and exclusion criteria. Include information about the level of analysis (beneficiary, provider, or program level), and if populations will be stratified into subgroups. Additionally discuss the sampling methodology for the populations, as well as support that a statistically reliable sample size is available.
- 3) *Evaluation Period* – Describe the time periods for which data will be included.
- 4) *Evaluation Measures* – List all measures that will be calculated to evaluate the demonstration. Include the measure stewards (i.e., the organization(s) responsible for the evaluation data elements/sets by “owning”, defining, validating; securing; and submitting for endorsement, etc.) Include numerator and denominator information. Additional items to ensure:
 - a. The measures contain assessments of both process and outcomes to evaluate the effects of the demonstration during the period of approval.
 - b. Qualitative analysis methods may be used, and must be described in detail.
 - c. Benchmarking and comparisons to national and state standards, should be used, where appropriate.
 - d. Proposed health measures could include CMS’s Core Set of Health Care Quality Measures for Children in Medicaid and CHIP, Consumer Assessment of Health Care Providers and Systems (CAHPS), the Initial Core Set of Health Care Quality Measures for Medicaid-Eligible Adults and/or measures endorsed by National Quality Forum (NQF).
 - e. Proposed performance metrics can be selected from nationally recognized metrics, for example from sets developed by the Center for Medicare and Medicaid Innovation or for meaningful use under Health Information Technology (HIT).
 - f. Among considerations in selecting the metrics shall be opportunities identified by the state for improving quality of care and health outcomes, and controlling cost of care.

- 5) *Data Sources* – Explain where the data will be obtained, and efforts to validate and clean the data. Discuss the quality and limitations of the data sources.

If primary data (data collected specifically for the evaluation) – The methods by which the data will be collected, the source of the proposed question/responses, the frequency and timing of data collection, and the method of data collection. (Copies of any proposed surveys must be reviewed with CMS for approval before implementation).

- 6) *Analytic Methods* – This section includes the details of the selected quantitative and/or qualitative measures to adequately assess the effectiveness of the demonstration. This section should:
 - a. Identify the specific statistical testing which will be undertaken for each measure (e.g., t-tests, chi-square, odds ratio, ANOVA, regression). Table A is an example of how the state might want to articulate the analytic methods for each research question and measure.
 - b. Explain how the state will isolate the effects of the demonstration (from other initiatives occurring in the state at the same time) through the use of comparison groups.
 - c. A discussion of how propensity score matching and difference in differences design may be used to adjust for differences in comparison populations over time (if applicable).
 - d. The application of sensitivity analyses, as appropriate, should be considered.
- 7) *Other Additions* – The state may provide any other information pertinent to the Evaluation Design of the demonstration.

D. Methodological Limitations – This section provides detailed information on the limitations of the evaluation. This could include the design, the data sources or collection process, or analytic methods. The state should also identify any efforts to minimize the limitations. Additionally, this section should include any information about features of the demonstration that effectively present methodological constraints that the state would like CMS to take into consideration in its review.

E. Special Methodological Considerations- CMS recognizes that there may be certain instances where a state cannot meet the rigor of an evaluation as expected by CMS. In these instances, the state should document for CMS why it is not able to incorporate key components of a rigorous evaluation, including comparison groups and baseline data analyses. Examples of considerations include:

- 1) When the state demonstration is:
 - a. Long-standing, non-complex, unchanged, or
 - b. Has previously been rigorously evaluated and found to be successful, or
 - c. Could now be considered standard Medicaid policy (CMS published regulations or guidance)

- 2) When the demonstration is also considered successful without issues or concerns that would require more regular reporting, such as:
 - a. Operating smoothly without administrative changes; and
 - b. No or minimal appeals and grievances; and
 - c. No state issues with CMS 64 reporting or budget neutrality; and
 - d. No Corrective Action Plans (CAP) for the demonstration.

Table A. Example Design Table for the Evaluation of the Demonstration

Research Question	Outcome measures used to address the research question	Sample or population subgroups to be compared	Data Sources	Analytic Methods
Hypothesis 1				
Research question 1a	-Measure 1 -Measure 2 -Measure 3	-Sample e.g. All attributed Medicaid beneficiaries -Beneficiaries with diabetes diagnosis	-Medicaid fee-for-service and encounter claims records	-Interrupted time series
Research question 1b	-Measure 1 -Measure 2 -Measure 3 -Measure 4	-sample, e.g., PPS patients who meet survey selection requirements (used services within the last 6 months)	-Patient survey	Descriptive statistics
Hypothesis 2				
Research question 2a	-Measure 1 -Measure 2	-Sample, e.g., PPS administrators	-Key informants	Qualitative analysis of interview material

F. Attachments

- 1) **Independent Evaluator.** This includes a discussion of the state’s process for obtaining an independent entity to conduct the evaluation, including a description of the qualifications that the selected entity must possess, and how the state will assure no conflict of interest. Explain how the state will assure that the Independent Evaluator will conduct a fair and impartial evaluation, prepare an objective Evaluation Report, and that there would be no conflict of interest. The evaluation design should include “No Conflict of Interest” signed by the independent evaluator.
- 2) **Evaluation Budget.** A budget for implementing the evaluation shall be provided with the draft Evaluation Design. It will include the total estimated cost, as well as a breakdown of estimated staff, administrative, and other costs for all aspects of the evaluation. Examples include, but are not limited to: the development of all survey and measurement instruments; quantitative and qualitative data collection; data cleaning and analyses; and reports generation. A justification of the costs may be

required by CMS if the estimates provided do not appear to sufficiently cover the costs of the draft Evaluation Design or if CMS finds that the draft Evaluation Design is not sufficiently developed.

- 3) Timeline and Major Milestones.** Describe the timeline for conducting the various evaluation activities, including dates for evaluation-related milestones, including those related to procurement of an outside contractor, if applicable, and deliverables. The Final Evaluation Design shall incorporate an Interim and Summative Evaluation. Pursuant to 42 CFR 431.424(c)(v), this timeline should also include the date by which the Final Summative Evaluation report is due.

Attachment B
New Jersey FamilyCare Comprehensive Demonstration
Preparing the Evaluation Report

Section 1115 Demonstrations Preparing the Evaluation Report

Introduction

For states that are testing new approaches and flexibilities in their Medicaid programs through section 1115 demonstrations, evaluations are crucial to understand and disseminate what is or is not working and why. The evaluations of new initiatives seek to produce new knowledge and direction for programs and inform Medicaid policy for the future. While a narrative about what happened during a demonstration provides important information, the principal focus of the evaluation of a section 1115 demonstration should be obtaining and analyzing data on the process (e.g., whether the demonstration is being implemented as intended), outcomes (e.g., whether the demonstration is having the intended effects on the target population), and impacts of the demonstration (e.g., whether the outcomes observed in the targeted population differ from outcomes in similar populations not affected by the demonstration). Both state and federal governments need rigorous quantitative and qualitative evidence to inform policy decisions.

The evaluation report provides the analysis and summary of the hypotheses tested in the evaluation. The hypotheses, evaluation questions, and measures should align with those identified in the CMS approved evaluation design. The state, per the Special Terms and Conditions (STC), is required to submit to CMS an interim evaluation report and a summative evaluation report. To support the development of the interim and summative evaluation reports, CMS is providing the following outline for the evaluation reports. It is recommended that states and independent evaluators use this outline to develop the evaluation reports for submission to CMS.

The sections in this outline include an executive summary, background information, evaluation questions and hypotheses, methodology, methodological limitations, results, conclusions, interpretations, lessons learned and recommendations, and attachments. It is important to provide as much detail as possible when completing this outline, to provide CMS with the best information with which to review the evaluation reports.

If the state needs technical assistance using this outline or preparing the evaluation reports, the state should contact its project officer.

Preparing the Evaluation Report Recommended Outline

Expectations for Evaluation Reports

Medicaid section 1115 demonstrations are required to conduct an evaluation that is valid (the extent to which the evaluation measures what it is intended to measure), and reliable (the extent to which the evaluation could produce the same results when used repeatedly). To this end, the already approved Evaluation Design is a map that begins with the demonstration goals, then transitions to the evaluation questions, and to the specific hypotheses, which will be used to investigate whether the demonstration has achieved its goals. States should have a well-structured analysis plan for their evaluation. With the following kind of information, states and CMS are best poised to inform and shape Medicaid policy in order to improve the health and welfare of Medicaid beneficiaries for decades to come. When conducting analyses and developing the evaluation reports, every effort should be made to follow the approved methodology. However, the state may request, and CMS may agree to, changes in the methodology in appropriate circumstances. When submitting an application for renewal, the interim evaluation report should be posted on the state's website with the application for public comment. Additionally, the interim evaluation report must be included in its entirety with the application submitted to CMS.

Intent of this Attachment

Title XIX of the Social Security Act (the Act) requires an evaluation of every section 1115 demonstration. In order to fulfill this requirement, the state's submission must provide a comprehensive written presentation of all key components of the demonstration, and include all required elements specified in the approved Evaluation Design. This Attachment is intended to assist states with organizing the required information in a standardized format and understanding the criteria that CMS will use in reviewing the submitted Interim and Summative Evaluation Reports.

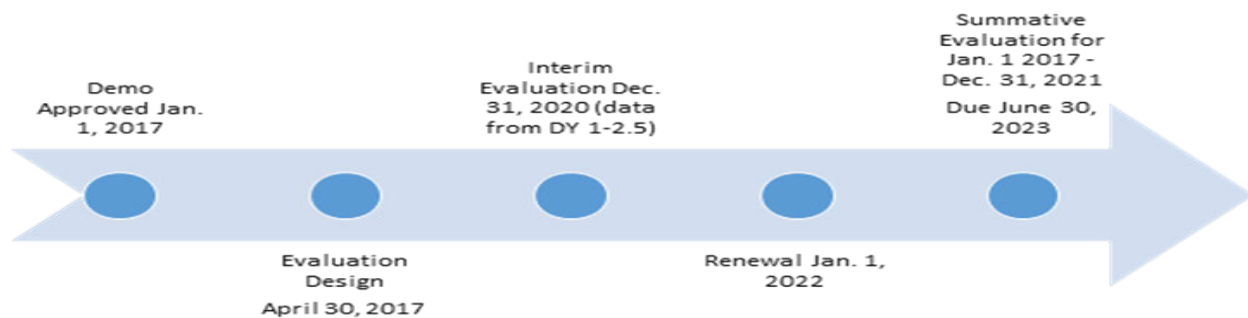
The format for the Interim and Summative Evaluation reports are as follows:

- A. Executive Summary;
- B. General Background Information;
- C. Evaluation Questions and Hypotheses;
- D. Methodology;
- E. Methodological Limitations;
- F. Results;
- G. Conclusions;
- H. Interpretations, and Policy Implications and Interactions with Other State Initiatives;
- I. Lessons Learned and Recommendations; and
- J. Attachment(s).

Submission Timelines

There is a specified timeline for the state's submission of Evaluation Designs and Evaluation Reports. These dates are specified in the demonstration Special Terms and Conditions (STCs). (The graphic below depicts an example of this timeline). In addition, the state should be aware that section 1115 evaluation documents are public records. In order to assure the dissemination

of the evaluation findings, lessons learned, and recommendations, the state is required to publish the evaluation design and reports to the state’s website within 30 days of CMS approval, as per 42 CFR 431.424(d). CMS will also publish a copy to the Medicaid.gov website.



Required Core Components of Interim and Summative Evaluation Reports

The section 1115 Evaluation Report presents the research about the section 1115 Demonstration. It is important that the report incorporate a discussion about the structure of the Evaluation Design to explain the goals and objectives of the demonstration, the hypotheses related to the demonstration, and the methodology for the evaluation. A copy of the state’s Driver Diagram (described in the Evaluation Design Attachment) must be included with an explanation of the depicted information. The Evaluation Report should present the relevant data and an interpretation of the findings; assess the outcomes (what worked and what did not work); explain the limitations of the design, data, and analyses; offer recommendations regarding what (in hindsight) the state would further advance, or do differently, and why; and discuss the implications on future Medicaid policy. Therefore, the state’s submission must include:

- A. Executive Summary** – A summary of the demonstration, the principal results, interpretations, and recommendations of the evaluation.
- B. General Background Information about the Demonstration** – In this section, the state should include basic information about the demonstration, such as:
 - 1) The issues that the state is trying to address with its section 1115 demonstration and/or expenditure authorities, how the state became aware of the issue, the potential magnitude of the issue, and why the state selected this course of action to address the issues.
 - 2) The name of the demonstration, approval date of the demonstration, and period of time covered by the evaluation;
 - 3) A brief description of the demonstration and history of the implementation, and if the evaluation is for an amendment, extension, renewal, or expansion of, the demonstration;
 - 4) For renewals, amendments, and major operational changes: A description of any changes to the demonstration during the approval period; whether the motivation for change was due to political, economic, and fiscal factors at the state and/or federal

- level; whether the programmatic changes were implemented to improve beneficiary health, provider/health plan performance, or administrative efficiency; and how the Evaluation Design was altered or augmented to address these changes.
- 5) Describe the population groups impacted by the demonstration.

C. Evaluation Questions and Hypotheses – In this section, the state should:

- 1) Describe how the state’s demonstration goals were translated into quantifiable targets for improvement, so that the performance of the demonstration in achieving these targets could be measured. The inclusion of a Driver Diagram in the Evaluation Report is highly encouraged, as the visual can aid readers in understanding the rationale behind the demonstration features and intended outcomes.
- 2) Identify the state’s hypotheses about the outcomes of the demonstration;
 - a. Discuss how the goals of the demonstration align with the evaluation questions and hypotheses;
 - b. Explain how this Evaluation Report builds upon and expands earlier demonstration evaluation findings (if applicable); and
 - c. Address how the research questions / hypotheses of this demonstration promote the objectives of Titles XIX and XXI.

D. Methodology – In this section, the state is to provide an overview of the research that was conducted to evaluate the section 1115 demonstration consistent with the approved Evaluation Design. The evaluation Design should also be included as an attachment to the report. The focus is on showing that the evaluation builds upon other published research (use references), and meets the prevailing standards of scientific and academic rigor, and the results are statistically valid and reliable.

An interim report should provide any available data to date, including both quantitative and qualitative assessments. The Evaluation Design should assure there is appropriate data development and collection in a timely manner to support developing an interim evaluation.

This section provides the evidence that the demonstration evaluation used the best available data and describes why potential alternative data sources were not used; reported on, controlled for, and made appropriate adjustments for the limitations of the data and their effects on results; and discusses the generalizability of results. This section should provide enough transparency to explain what was measured and how. Specifically, this section establishes that the approved Evaluation Design was followed by describing:

- 1) *Evaluation Design*—Will the evaluation be an assessment of: pre/post, post-only, with or without comparison groups, etc?
- 2) *Target and Comparison Populations*—Describe the target and comparison populations; include inclusion and exclusion criteria.
- 3) *Evaluation Period*—Describe the time periods for which data will be collected
- 4) *Evaluation Measures*—What measures are used to evaluate the demonstration, and who are the measure stewards?

- 5) *Data Sources*—Explain where the data will be obtained, and efforts to validate and clean the data.
- 6) *Analytic methods*—Identify specific statistical testing which will be undertaken for each measure (t-tests, chi-square, odds ratio, ANOVA, regression, etc.).
- 7) *Other Additions* – The state may provide any other information pertinent to the evaluation of the demonstration.

E. Methodological Limitations

This section provides sufficient information for discerning the strengths and weaknesses of the study design, data sources/collection, and analyses.

F. Results – In this section, the state presents and uses the quantitative and qualitative data to show to whether and to what degree the evaluation questions and hypotheses of the demonstration were achieved. The findings should visually depict the demonstration results (tables, charts, graphs). This section should include information on the statistical tests conducted.

G. Conclusions – In this section, the state will present the conclusions about the evaluation results.

- 1) In general, did the results show that the demonstration was/was not effective in achieving the goals and objectives established at the beginning of the demonstration?
- 2) Based on the findings, discuss the outcomes and impacts of the demonstration and identify the opportunities for improvements. Specifically:
 - a. If the state did not fully achieve its intended goals, why not? What could be done in the future that would better enable such an effort to more fully achieve those purposes, aims, objectives, and goals?

H. Interpretations, Policy Implications and Interactions with Other State Initiatives –

In this section, the state will discuss the section 1115 demonstration within an overall Medicaid context and long range planning. This should include interrelations of the demonstration with other aspects of the state’s Medicaid program, interactions with other Medicaid demonstrations, and other federal awards affecting service delivery, health outcomes and the cost of care under Medicaid. This section provides the state with an opportunity to provide interpretation of the data using evaluative reasoning to make judgments about the demonstration. This section should also include a discussion of the implications of the findings at both the state and national levels.

I. Lessons Learned and Recommendations – This section of the Evaluation Report involves the transfer of knowledge. Specifically, the “opportunities” for future or revised demonstrations to inform Medicaid policymakers, advocates, and stakeholders is just as significant as identifying current successful strategies. Based on the evaluation results:

- 1) What lessons were learned as a result of the demonstration?
- 2) What would you recommend to other states which may be interested in implementing a similar approach?

J. Attachment

- 1) Evaluation Design: Provide the CMS-approved Evaluation Design

Attachment C
New Jersey FamilyCare Comprehensive Demonstration
HCBS-FFS Program Service Definitions

Placeholder for HCBS-FFS Program Service Definitions

Attachment D
New Jersey FamilyCare Comprehensive Demonstration
MLTSS Program Service Definitions

Placeholder for MLTSS Program Service Definitions

Attachment E
New Jersey FamilyCare Comprehensive Demonstration
SUD Implementation Plan

NJ DEPARTMENT OF HUMAN SERVICES, DIVISION OF MEDICAL ASSISTANCE AND
HEALTH SERVICES

**NJ FamilyCare Comprehensive Demonstration Implementation Protocol for
the Opioid Use Disorder (OUD)/Substance Use Disorder (SUD) Program**

5/7/2018

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Introduction

NJ FamilyCare’s Comprehensive Demonstration (“The Waiver”) was approved on October 31, 2017 and includes an Opioid Use Disorder (OUD)/Substance Use Disorder (SUD) continuum providing authority for the New Jersey Department of Human Services’ Division of Medical Assistance and Health Services, to serve individuals with a substance use disorder or opioid use disorder in a full continuum of care. The continuum matches beneficiaries with the most appropriate services to meet their need, and provides an efficient use of resources grounded in evidence based practice. This includes services provided in residential treatment settings that qualify as an Institute for Mental Disease (IMD) consistent with key benchmarks from nationally recognized, SUD-specific program standards. Beneficiaries will have access to high quality, evidence based, OUD and SUD treatment services ranging from acute withdrawal management, ongoing chronic care in cost effective settings, and care for comorbid physical and mental health conditions.

Specifically, New Jersey was granted waiver authority to:

- Claim expenditures for services provided in an IMD for a statewide average length of stay of 30 days.
- Add a new level of care to the continuum for long term residential treatment, ASAM 3.5;
- Develop peer recovery support specialist and case management programs that will engage, support and link individuals with an SUD in the appropriate levels of care; and
- Move to a managed delivery system that integrates physical and behavioral health care.

As required by Standard Terms and Conditions (STC) #40 (A) of the Waiver, this document serves as the NJ FamilyCare 1115 Waiver OUD/SUD Continuum Implementation Protocol and is referred to as the Implementation Plan here forth. . The Implementation Plan provides details on DMAHS’s strategic approach, project addresses the goals and required milestones to ensure the continuum succeeds in improving quality, accessibility, and outcomes for OUD/SUD treatment in the most cost-effective manner over the course of the Waiver period from October 31, 2017 to June 30, 2022.

Goals of the OUD/SUD Continuum:

1. Increase the rates of identification, initiation and engagement in treatment for OUD and other SUDs;
2. Increase adherence to and retention in treatment for OUD and other SUDs;

3. Reduction in overdose deaths, particularly those due to opioids;
4. Reduce utilization of emergency departments and inpatient hospital settings for OUD and other SUD treatment where the utilization is preventable or medically inappropriate
5. Reduce preventable, or potentially preventable readmission to the same or higher level of care for OUD and other SUD; and
6. Improve access to care for physical health conditions among beneficiaries with OUD or other SUDs.

Milestones of the OUD/SUD Continuum:

1. Access to critical levels of care for OUD and other SUDs;
2. Widespread use of evidence-based, SUD-specific patient placement criteria;
3. Use of nationally recognized, evidence-based, SUD program standards to set residential treatment provider qualifications;
4. Sufficient provider capacity at each level of care, including MAT;
5. Implementation of comprehensive treatment and prevention strategies to address opioid abuse and OUD; and
6. Improved care coordination and transitions between levels of care.

Section I: Implementation Protocol Milestones

In order to achieve the aforementioned overarching goals, DMAHS will work with its internal and external stakeholders to develop, design, and operationalize the following six (6) milestones:

1. Access to Critical Levels of Care of OUD and other SUDS

To improve access to OUD and SUD treatment services for Medicaid beneficiaries, it is important to offer a range of services at varying levels of intensity across a continuum of care since the type of treatment or level of care needed may be more or less effective depending on the individual beneficiary. Coverage of outpatient, intensive outpatient, partial care, short term residential, and non-hospital based withdrawal management, ambulatory withdrawal management ASAM 2-WM services, medication assisted treatment, and medically supervised withdrawal management services are already in place and included in State Plan Services. Long term residential, ASAM 3.5 will be added to the continuum and IMD services in short term residential and non-hospital based withdrawal management services can begin upon approval within the proposed timeframe. In addition, under this Waiver authority, the state will create a Medicaid benefit of peer support and case management services for beneficiaries with an SUD diagnosis as part of the SUD Continuum.

Under the New Jersey’s 1115 Comprehensive Demonstration, and in order to to facilitate access to OUD and SUD services, New Jersey established a non-risk bearing interim managing entity (IME) to manage a SUD hotline providing 24 hour access to screening, referrals, care coordination and utilization management.

The IME is an independent, non-risk bearing entity for reviewing placement in all SUD treatment settings.

- a. The IME reviews clinical data submitted by providers in order to authorize services based on medical necessity and ASAM placement criteria for all SUD admissions
- b. The IME has access to ten years of SUD individuals’ treatment history at any licensed SUD facility.
- c. The IME also reviews clinical care extension requests by providers and issues continuing care based on ASAM evidentiary standards.
- d. Children and Adolescents who are covered by Children’s System of Care (CSOC) utilize Perform Care as a Managing Entity for services. CSOC utilizes the LOCI-3 and/or a Strengths and Needs Tool for children seeking treatment under the age of 18.

Table A: Comparison of the current State Plan vs. the Future Plan, Milestone #1 Access to Critical Levels of Care for OUD and other SUD

Milestone #1 Access to Critical Levels of Care for OUD and other SUD’s.	Current Plan	Future State	Summary of Actions Needed/Timetable
1.)To improve access to OUD and SUD treatment services for Medicaid beneficiaries, it is important to offer	1.) Outpatient Services are currently covered under NJ State Plan ASAM 1.0	Continue to monitor and evaluate services and expenditures.	No Action needed
	2.) Intensive outpatient services are currently covered under NJ State Plan ASAM 2.1	Continue to monitor and evaluate services and expenditures.	No Action needed

Milestone #1 Access to Critical Levels of Care for OUD and other SUD's.	Current Plan	Future State	Summary of Actions Needed/Timetable
a range of services at varying levels of intensity across a continuum of care since the type of treatment or level of care needed may be more or less effective depending on the individual beneficiary.	3.) Partial Care outpatient services are currently covered under NJ State Plan ASAM 2.5	Continue to monitor and evaluate services and expenditures.	No Action needed
	4.) Medication Assisted Treatment is currently covered under NJ State Plan.	Continue to monitor and evaluate services and expenditures.	No Action needed
	5.) Ambulatory Withdrawal Management ASAM 2WM has been implemented under State plan amendment.	NJ will Monitor and evaluate services and expenditures.	Currently 21 providers are in the process of applying for licensure to provide this service. NJ DMAHS and NJ DMHAS will work with providers and IME once the providers become licensed and apply for Medicaid provider status.
	6.) Short term residential, ASAM 3.7 and Withdrawal Management (WM) services ASAM 3.7WM are currently covered under State Plan but the IMD exclusion currently applies.	NJ will include residential treatment (ASAM 3.7 STR) and Withdrawal Management (ASAM 3.7WM) to improve access to care allowing coverage for all ages within 12-24 Months of program demonstration approval.	NJ DMAHS and DMHAS will review established policies and procedures in accordance with ASAM criteria for the delivery of benefits in short term rehab (STR) and WM. These services are currently under State Plan and in Regulation, Review and revise if necessary. Provider and stakeholder presentations and feedback December 2017, January 2018, and February 2018. Implement service July, 2018

Milestone #1 Access to Critical Levels of Care for OUD and other SUD's.	Current Plan	Future State	Summary of Actions Needed/Timetable
	<p>7.) Long Term Residential (LTR), ASAM 3.5 is currently not a covered service in NJ but with Waiver approval we hope to implement this service October of 2018.</p>	<p>NJ will review policies and procedures, develop and submit a state plan amendment for coverage of ASAM 3.5 LTR.</p>	<p>Provider and stakeholder presentations and feedback December 2017, January 2018, and February 2018.</p> <p>NJ Medicaid will develop regulations for LTR treatment services in cooperation with DMHAS and Department of Health (DOH), OOL.</p> <p>Submit State plan amendment for LTR in cooperation with DMHAS and DOH, OOL.</p> <p>DMHAS and DMAHS will work with IME to develop Utilization Management (UM) for ASAM clinical review.</p> <p>Implement service October, 2018</p>
	<p>8). Peer Support Recovery Specialist Service is currently not a benefit in the state plan available to individuals with an SUD.</p>	<p>The state will work with the Division of Mental Health and Addiction Services and current providers of SUD peer support services to develop this benefit.</p> <p>The state will pursue State Plan Amendment authority for this benefit.</p>	<p>DMAHS will meet with various agencies that currently provide this service funded through other state and federal grants to develop a structure for this service and draft regulations.</p> <p>The state will develop a rate that compensates for the expenses of an agency to provide this service.</p> <p>Implement service July, 2019</p>

Milestone #1 Access to Critical Levels of Care for OUD and other SUD's.	Current Plan	Future State	Summary of Actions Needed/Timetable
	<p>9). Case Management services are currently not a benefit in the state plan available to individuals with an SUD.</p>	<p>The state will work with the Division of Mental Health and Addiction Services and current providers of SUD case management services to develop this benefit</p> <p>The state will pursue State Plan Amendment authority for this benefit.</p>	<p>DMAHS will meet with various agencies that currently provide this service funded through other state and federal grants to develop a structure for this service and draft regulations.</p> <p>The state will develop a rate that compensates for the expenses of an agency to provide this service.</p> <p>Implement service July, 2019</p>

2. Widespread use of Evidence-based, SUD-specific patient placement criteria

Currently, NJ providers assess treatment needs based on SUD-specific, multi-dimensional ASAM assessment tools that reflect evidence-based clinical guidelines. The IME makes initial and continued stay determinations based on review of the DSM 5 diagnosis, the ASAM LOCI-3, and supporting documentation submitted by the provider for SUD services that require determination of medical appropriateness by regulation. The IME’s UM approach ensures that beneficiaries have access to SUD services at the appropriate level of care and that those services are appropriate for the diagnosis and treatment needs of the individual.

Table B: Comparison of the Current State Plan vs. the Future Plan, Milestone #2 Widespread use of Evidence-based, SUD-Specific Patient Placement Criteria

Milestone #2 Use of Evidence-based, SUD specific Patient Placement Criteria. (ASAM)	Current Plan	Future State	Summary of Actions Needed/Timetable
1) Providers assess treatment needs based on SUD-specific, multi-dimensional assessment tools, e.g., the ASAM Criteria, or other patient placement assessment tools that reflect evidence-based clinical treatment guidelines	<p>NJ SUD providers currently assess treatment needs based on multi-dimensional ASAM assessment tools that reflect evidence-based clinical guidelines for all levels of care, residential and outpatient as per licensing regulation and state contracts.</p> <p>New regulation for state wide use of ASAM placement criteria and medical necessity review tool (LOCI 3) currently proposed in N.J.A.C. 10:163.</p>	<p>Formalize the use of ASAM criteria and the LOCI-3 assessment tool for use by all providers to include new residential and inpatient providers.</p> <p>Implement new regulation for state wide use of medical necessity review tool currently proposed in N.J.A.C. 10:163.</p>	<p>Provider and stakeholder presentations and feedback December 2017, January 2018, and February 2018.</p> <p>Rutgers (in partnership with DMHAS) is currently planning a statewide provider training on ASAM subject matter experts on ASAM. Tentatively planned to take place between March-May 2018</p> <p>NJ FamilyCare to work with MCO’s to formalize ASAM placement criteria and use of LOCI-3 assessment tool and include in MCO contracts. Target Date July, 2018</p>

Milestone #2 Use of Evidence-based, SUD specific Patient Placement Criteria. (ASAM)	Current Plan	Future State	Summary of Actions Needed/Timetable
<p>2.)Utilization management approaches are implemented to ensure that</p> <p>(a) beneficiaries have access to SUD services at the appropriate level of care,</p> <p>(b) interventions are appropriate for the diagnosis and level of care, and</p> <p>(c) there is an independent process for reviewing placement in residential treatment settings.</p>	<p>NJ is currently contracted with an Interim Managing Entity (IME) which is an independent, non-risk bearing entity for reviewing placement in all SUD treatment settings.</p> <p>The IME’s UM approach ensures that beneficiaries have access to SUD services at the appropriate level of care and that those services are appropriate for the diagnosis and treatment needs of the individual. If necessary, a retrospective, records-based review is conducted.</p> <p>The IME makes initial determinations based on review of the DSM 5 diagnosis, the ASAM LOCI-3, and supporting documentation submitted by the provider for all SUD services.</p>	<p>NJ will work with MCO’s to implement the regulatory requirements.</p>	<p>Provider and stakeholder presentations and feedback December 2017, January 2018, and February 2018</p> <p>DMHAS and DMAHS will work with IME for ASAM criteria and LOCI-3 requirements to implement with new Residential and inpatient providers. October 2018</p> <p>NJ FamilyCare to work with MCO’s to formalize ASAM placement criteria and use of LOCI-3 assessment tool and include in MCO contracts. Target Date July 2018</p>

3. Use of Nationally recognized, evidence-based SUD program standards to set residential treatment provider qualifications

Outside of medical necessity, SUD and ASAM services are outlined in provider licensing regulations that include provider licensing inspections that occur every two years. New Jersey will look at other credentialing and/or certification options as we move forward into the demonstration period. Over the past year, NJ has also offered voluntary quality reviews to SUD providers to ensure compliance and utilize opportunities for targeted assistance and ongoing Medicaid audits will occur on a quarterly basis.

Currently, there is not a requirement that residential treatment facilities provide a MAT service but within this authority the state will work to remove the barriers and provide needed supports for this service to be included in residential treatment when clinically necessary.

Table C: Comparison of the Current State Plan vs. the Future Plan, Milestone #3, Use of Nationally Recognized, Evidence-based SUD Program Standards to set Residential Treatment Provider Qualifications

Milestone #3 Use of Nationally Recognized SUD-specific Program Standards to Set Provider Qualifications for Residential Treatment Facilities	Current Plan	Future State	Summary of Actions Needed/Timetable
<p>1.) Implementation of residential treatment provider qualifications in licensure requirements, policy manuals, managed care contracts, or other guidance. Qualification should meet program standards in the ASAM Criteria or other nationally recognized, SUD- specific program standards regarding, in particular, the types of services, hours of clinical care, and credentials of staff for residential</p>	<p>All NJ State Licensing Regulations include ASAM level of care requirements for each level of care in the SUD Continuum that include services, hours of clinical care, staffing and staff credentials. (N.J.A.C. 10:161A, Residential) N.J.A.C. 10:161B, Outpatient) Any hours of care and scope of service not including in Licensing regulations are included in N.J.A.C. 10:66 Medicaid Independent Clinic Regulations.</p>	<p>NJ will review current regulations for residential treatment and crosswalk with ASAM requirements to ensure accuracy and make any necessary revisions.</p>	<p>Assemble team including the Division of Mental Health and Addiction Services and other related state departments to review, crosswalk and make recommendations for any changes to current regulation. March 2018</p> <p>NJ FamilyCare will meet with contracted MCO's to review provider contracts, manuals or other guidance to ensure ASAM program standards compliance. July 2018</p>

Milestone #3 Use of Nationally Recognized SUD-specific Program Standards to Set Provider Qualifications for Residential Treatment Facilities	Current Plan	Future State	Summary of Actions Needed/Timetable
2.) Implementation of a state process for reviewing residential treatment providers to ensure compliance with these standards	NJ Department of Health (DOH) Office of Licensing (OOL) currently provides initial inspection review, bi-annual reviews, provider random surveys, and reviews following any complaints about a provider.	NJ will review and outline current licensing review procedures and develop additional procedures to be able to randomly review providers quarterly	Review and outline DOH, OOL process currently in use. March 2018. Develop written protocol for Medicaid quarterly audits. July, 2018. Continually train staff on Medicaid Reviewers on SUD Continuum and ASAM Placement criteria. Throughout Wavier period.
3. Implementation of requirement that residential treatment facilities offer MAT on-site or facilitate access off site	NJ providers are currently able to provide MAT on site and newer MAT such as Vivitrol are provided in Residential facilities. However, some obstacles remain related to billing, licensing, continuation of MAT following discharge and DEA requirements.	NJ will work toward the requirement that residential treatment facilities offer MAT on-site or ensure Beneficiaries have access to MAT off-site. NJ will work to overcome obstacles related to billing, licensing, and DEA requirements that impact delivery of MAT. NJ will also work to better ensure follow up care and continued MAT upon transition to community.	Establish a workgroup with Division of Mental Health and Addiction Services, Division of Medical Assistance and Health Services, Department of Children and Families and Department of Health, provider representation and other members to facilitate list of barriers and solutions. January 2018 Review and revise policies and procedures that limit barriers to MAT treatment based on workgroup recommendations. July 2018

4. Sufficient provider capacity at each level of care

NJ is using data from the NJ Department of Health’s licensing unit to complete the provider capacity study. This information includes any provider of SUD services in the state regardless of their involvement with NJ FamilyCare. The study will determine providers that are licensed and existing providers within NJ FamilyCare as well as providers that are not in the network. This capacity study will assist the state in identifying gaps in service availability and identify state strategies to engaging new providers to meet the gaps in service.

Table D: Comparison of the current State Plan vs. the Future Plan Milestone #4, Sufficient Provider Capacity at each Level of Care.

Milestone #4 Sufficient Provider Capacity at Critical Levels of Care including Medication Assisted Treatment	Current Plan	Future State	Summary of Actions Needed/Timetable
<p>Completion of assessment of the availability of providers enrolled in Medicaid and accepting new patients in the following critical levels of care throughout the state including those that offer MAT:</p> <ul style="list-style-type: none"> • Outpatient Services; • Intensive Outpatient Services; • Medication Assisted 	<p>NJ will compile a provider capacity study for key levels of care in the State. Compile data from Office of Licensing, IME statewide capacity management system, Molina and NJSAMs to look at utilization and bed availability in residential levels of care and opioid treatment capacity.</p> <p>NJ has mapped the residential beds by county to capture regional coverage of the service for Medicaid recipients in residential levels of care and opioid treatment.</p>	<p>NJ will submit a complete report to CMS of the existing provider capacity for all levels of care through-out the state. Included in the capacity plan, NJ will identify unmet needs and develop methods to address capacity insufficiency.</p>	<p>NJ FamilyCare will work with data sources from DOH and NJ’s MMIS system to assemble and verify current and eligible Medicaid providers for residential levels of care and current capacity for each. April 2018</p> <p>NJ will complete an evaluation of treatment availability for ambulatory services; residential bed capacity; and, state-wide admissions to each residential level of care. July 2018</p>

<p>Treatment (medications as well as counseling and other services);</p> <ul style="list-style-type: none"> • Intensive Care in Residential and Inpatient Settings; • Medically Supervised Withdrawal Management. 			<p>NJ will complete capacity study and submit to CMS. October, 2018</p>
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5. Implementation of comprehensive treatment and prevention strategies to address opioid abuse and OUD

New Jersey has taken significant effort to address the opioid addiction crisis in our state. Efforts have been made to provide education to prescribers, have best practices in place for opioid prescribers, pharmacy programs that lock certain Medicaid consumers into one pharmacy and state wide distribution and education on the use of Naloxone.

At this time, payers, including Medicaid, do not have access to the New Jersey Prescription Monitoring Program (NJPMP) prior to making prescription coverage decisions. There is currently pending state legislation to assure access to NJPMP by all payers

Currently there is no connectivity between the NJPMP and the NJ HIN. It is the state’s goal to establish connectivity between these two systems.

Despite these state wide efforts the OUD crisis continues in NJ and the chart below details the various strategies that the state has or will put into place to continue to address the prescription drug abuse and OUD.

For additional information on Milestone 5 related to the state’s SUD Health Information Technology (HIT) Plan, see Attachment A.

Table E: Comparison of the current State Plan vs. the Future Plan Milestone #5, Implementation of Comprehensive Treatment and Prevention Strategies to address Opioid Abuse and OUD

Milestone #5 Implementation of Comprehensive Treatment and Prevention Strategies to Address Opioid Abuse and Opioid Use Disorder (OUD).	Current State	Future State	Summary of Actions Needed
Implementation of opioid prescribing guidelines along with other interventions to prevent opioid abuse	<p>State Law (S3) that sets a 5 day limit on initial prescriptions for Opioid pain medication to treat acute pain which is one of the toughest in the country.</p> <p>The New Jersey Board of Medical Examiners, the New Jersey Board of Nursing, the New Jersey State Board of Dentistry, and the New Jersey Board of Optometrists - implemented the rules on an emergency basis on March 1, 2017 to combat a staggering public health crisis brought about by prescription opioid and heroin abuse.</p>	NJ will implement opioid prescribing guidelines.	Continue to meet with the State’s Division of Consumer (DCA) within the Attorney General’s Office and Department of Health (DOH) to ensure implementation of the guidelines.
Expanded coverage of, and access to, naloxone for overdose reversal	<p>The Department of Health facilitates naloxone (Narcan ®) availability and training in its use through a variety of public and private partnerships across the state.</p> <p>State law allows physicians to prescribe Naloxone (Narcan ®) to anyone in a position to assist others during an overdose (e.g., bystanders). This is called third</p>	NJ will continue to utilize and expand training and use of naloxone to prevent overdose.	Continue to meet with the State’s DCA and DOH to maintain and expand training on the use of Naloxone and access to overdose prevention treatment and services.

Milestone #5 Implementation of Comprehensive Treatment and Prevention Strategies to Address Opioid Abuse and Opioid Use Disorder (OUD).	Current State	Future State	Summary of Actions Needed
	<p>party prescribing.</p> <p>The three regional opioid overdose prevention programs provide individuals at-risk for overdose, their family members, friends, and loved ones with naloxone rescue kits and educate and train them on how to prevent, recognize and respond to an opioid overdose.</p> <p>Additionally, funded organizations have established a procedure to make naloxone (Narcan ®) available to those who are either at-risk or have family, friends or loved ones at-risk for an opioid overdose.</p> <p>Naloxone is covered through the Medicaid benefit to beneficiaries and their family members.</p> <p>New funding sources will expand the Provision of naloxone, in intranasal form, to individuals including, but not limited to, school nurses and other personnel at statewide school districts, medical and clinical staff at jails, and medical and clinical staff working for residential substance use disorder treatment programs, to include, but not limited to, programs providing withdrawal</p>		

Milestone #5 Implementation of Comprehensive Treatment and Prevention Strategies to Address Opioid Abuse and Opioid Use Disorder (OUD).	Current State	Future State	Summary of Actions Needed
	management, short term and long term residential treatment services.		
Implementation of strategies to increase utilization and improve functionality of prescription drug monitoring programs	Within the NJDOH there is funding for DOH to enhance its data access and analysis; improve prevention planning, including implementing a statewide strategic plan; assess the impact of state-level policies on the opioid crisis; identify and engage communities most impacted by the effects of the opioid crisis; and maximize the NJPMP's public health surveillance potential.	NJ will implement strategies to increase utilization and improve functionality of the NJPMP by collaborating with the DOH in the strategic plan an involving DOH in NJNJPMP planning, evaluation and implementation.	Ongoing coordination with DOH, DCA and DHS to increase utilization and functionality of the NJPMP.
Other	Utilizing grant funds NJ has established a successful program, the Opioid Overdose Recovery Program (OORP) to deploy trained peer specialists to engage individuals reversed from an opioid overdose to provide non-clinical assistance, recovery supports and appropriate referrals for assessment and substance use disorder treatment. This has been an effective program in the state and with secured coverage for peer services under Medicaid it can continue to save lives.	NJ will sustain the Opioid Overdose Recovery Program (OORP) and design a Medicaid benefit to ensure individuals reversed from an overdose with Narcan are engaged with a peer to promote treatment and recovery for OUD. NJ will develop a state plan and regulation for the Medicaid covered service.	Work with the Professional Advisory Council (PAC) workgroup, DMHAS and DCF on SUD Peer services to formalize needs within the state that peers can best serve. (currently part of agenda for the SUD workgroup, a multi-agency group looking at statewide SUD services) Conduct a statewide survey to assess current specifications of roles, responsibilities, qualifications, certifications, supervision, documentation, guided

Milestone #5 Implementation of Comprehensive Treatment and Prevention Strategies to Address Opioid Abuse and Opioid Use Disorder (OUD).	Current State	Future State	Summary of Actions Needed
			treatment planning and settings employed. (Currently in draft form estimated target date for completion of survey July 2018) Develop Medicaid benefit, rates, regulations and state plan to initiate service. July 2019

6. Improved care coordination and transitions between levels of care

Currently within the Medicaid State Plan there is not a case management or peer recovery support service available to individuals with an SUD in any level of care. There is coverage of these services by grants and Federal Block Grant dollars within the state funded services. Case management and peer recovery support programs are currently included in the Medicaid state plan for adults with a serious mental illness and will be used to inform the establishment of the benefit for Medicaid beneficiaries with an SUD.

6. Table F: Comparison of the current State Plan vs. the Future Plan Milestone #6, Improved Care Coordination and Transitions between Levels of Care

Milestone #6 Improved Care Coordination and Transitions between Levels of Care	Current Plan	Future State	Summary of Actions Needed/Timetable
Implementation	NJ has procedures in place to	NJ will implement a	Benefit Development

Milestone #6 Improved Care Coordination and Transitions between Levels of Care	Current Plan	Future State	Summary of Actions Needed/Timetable
<p>of policies to ensure residential and inpatient facilities link beneficiaries with community-based services and supports following stays in these facilities</p>	<p>ensure residential and inpatient facilities link beneficiaries with community-based services through the IME. This service through the IME's Care Coordination Department is reliant upon Providers initiating the transition with the IME.</p> <p>Current Licensing Regulations require Providers to develop Client Care Policies to include referrals to other levels of care in the continuum or to other health care providers.</p>	<p>case management benefit for individuals with a SUD over the course of the waiver period to ensure that recipients throughout the SUD continuum especially residential and inpatient facilities are linked with continued care in the community.</p> <p>NJ will implement a peer services benefit to support individuals with SUD during critical transitions in care and into recovery.</p>	<p>Rate Study State Plan Amendment Regulation update. Target date for implementation of Service July, 2019</p> <p>Benefit Development Rate Study State Plan Amendment Regulation update. Target Date for Implementation of Service July, 2019</p>
<p>Additional policies to ensure coordination of care for co-occurring physical and mental health conditions</p>	<p>Under New Jersey's current structure, physical health services are the responsibility of the managed care organizations and most behavioral health services are provided through a FFS system managed by the IME. The state has been given waiver authority to expand services provided in a at-risk managed care delivery system that integrates physical and behavioral health care.</p>	<p>The determination on a risk based managed system of care is expected to be made at the gubernatorial level and will occur over the course of the five-year waiver period under an amendment to the Waiver.</p>	

Section II: NJ's point of contact for the Implementation plan.

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Section III: Relevant Documents

Attachment A: SUD Health Information Technology (IT) Plan

Attachment A, Section 1: SUD Health Information Technology (IT) Plan

This section is a continuation of Milestone 5 to detail the use of the Prescription Drug Monitoring Program and the State’s Health Information Technology (HIT) Plan to address the SUD and OUD.

New Jersey in coordination with the State Medicaid Health Information Technology Plan (SMHP) conducted a Health Information Technology Environmental Scan in 2017. Details of this Environmental Scan can be found in the report in Appendix A, Section 3 Relevant Documents Attachment 2.

Recommendations were provided for further research and development in the areas of EHR adoption, health information exchange, health information technology, broadband coverage and education. It is the intent of the state to use the goals of this SUD HIT Plan to further leverage the HIT infrastructure and capabilities achieved by the SMHP throughout the course of the Waiver Authority. New Jersey provides assurance that there is general health IT infrastructure to accomplish the goals of the demonstration related to the SUD treatment services.

Table 1: State Health IT/PDMP Assessment & Plan

Milestone #5 Implementation of Comprehensive Treatment and Prevention Strategies to Address Opioid Abuse and Opioid Use Disorder (OUD).	Current State	Future State	Summary of Actions Needed
1.) Prescription Drug Monitoring Program (PDMP) Functionalities			
A.) Enhanced interstate data sharing in order to better track patient specific prescription data	The NJPMP program of New Jersey provides doctors with the ability to see prescription history with fourteen (14) other states; CT, DE, MN, RI, VA, SC, NY, MA, WV, NH, ME, PA, OH, and VT .	Will update the HIT plan as more states are included in the program.	<p>Collaboration with the Dept. of Health (DOH), Dept. of Community Affairs (DCA) and Dept. of Human Services (DHS) to establish connectivity between the NJPMP and NJHIN. This connectivity is contingent upon DCA.</p> <p>NJ FamilyCare will establish communication with the DCA Administrator of the PDMP to commence connectivity with NJHIN by the 2nd quarter 2018.</p>

Milestone #5 Implementation of Comprehensive Treatment and Prevention Strategies to Address Opioid Abuse and Opioid Use Disorder (OUD).	Current State	Future State	Summary of Actions Needed
B.) Enhanced “ease of use” for prescribers and other state and federal stakeholders	<p>There is no connectivity between the State NJPMP and the New Jersey Health Information Network (NJHIN), the statewide HIE infrastructure.</p> <p>Prescribers and pharmacists connected to both the NJPMP and the NJHIN have access to the necessary data.</p> <p>State and federal stakeholders and TPL payers do not have access to the NJPMP and NJHIN information.</p>	<p>Connection of the State PMP as a state node in the NJHIN to allow secure sharing of prescription data to HIE connected providers to allow access and ease of use to pharmacists, prescribers, and state and federal stakeholders.</p>	<p>Collaboration with the DOH, DCA and DHS to establish connectivity between the NJPMP and NJHIN.</p> <p>NJ FamilyCare will establish communication with the DCA Administrator of the PDMP to commence connectivity with NJ HIN by the 2nd quarter 2018.</p> <p>NJ FamilyCare will convene a meeting with the DCA, DOH and DHS to review the goals of this plan by the 3rd quarter of 2018 and continue these meetings on a quarterly basis (or more frequently if needed) throughout the course of this Waiver to achieve the goals of the HIT Plan.</p>
C.) Enhanced connectivity between the state’s PDMP and any statewide, regional or local health information exchange	<p>Currently, there is no connectivity between the NJPMP and the New Jersey Health Information Network (NJHIN), the statewide HIE infrastructure.</p>	<p>Connection of the State PMP as a state node in the NJHIN to allow secure sharing of prescription data to HIE connected providers.</p>	<p>Collaboration with the DOH, DCA and DHS to establish connectivity between the NJPMP and NJHIN</p> <p>NJ FamilyCare will establish communication with the DCA Administrator of the PDMP to commence connectivity with NJHIN by the 2nd quarter 2018.</p>

Milestone #5 Implementation of Comprehensive Treatment and Prevention Strategies to Address Opioid Abuse and Opioid Use Disorder (OUD).	Current State	Future State	Summary of Actions Needed
			<p>NJ FamilyCare will convene a meeting with the DCA, DOH and DHS to review the goals of this plan by the 3rd quarter of 2018 and continue these meetings on a quarterly basis (or more frequently if needed) throughout the course of this Waiver to achieve the goals of the HIT Plan.</p>
<p>D.) Enhanced identification of long-term opioid use directly correlated to clinician prescribing patterns¹ (see also “Use of PDMP” #2 below)</p>	<p>Although the PMP/NJHIN connectivity has yet to be established, the NJHIN has other functionalities and use cases, such as event notification (admission discharge transfer or ADT events), that is utilized by HIE connected providers, including behavioral health providers. The event notification service may provide real-time information to OUD/SUD facilities when a client has sought care in a healthcare facility.(see also “Use of PDMP” #2 below)</p>	<p>The State secured HITECH funding to onboard providers to the NJHIN allowing them to leverage the HIE functionalities. (see also “Use of PDMP” #2 below)</p>	<p>Continue supporting providers to connect to the NJHIN (see also “Use of PDMP” #2 below). Within the meetings described above between State departments, NJ FamilyCare will develop pathways to collect data relevant to the identification of long-term opioid use and clinician prescribing</p>
<p>2.) Current and Future PDMP Query Capabilities</p>			

Milestone #5 Implementation of Comprehensive Treatment and Prevention Strategies to Address Opioid Abuse and Opioid Use Disorder (OUD).	Current State	Future State	Summary of Actions Needed
A.) Facilitate the state's ability to properly match patients receiving opioid prescriptions with patients in the PDMP (i.e. the state's master patient index (MPI) strategy with regard to PDMP query)	<p>Medicaid and other State programs do have access to the NJPMP for investigative purposes only, pursuant to N.J.S.A. 45:1-46(i)(7).</p> <p>The NJPMP has facilitated requests from NJ Medicaid in the past and will continue to assist with future requests.</p>	There is active legislation that will allow payers and state Medicaid staff to obtain information from the NJPMP and the MPI at the time the prescription issued.	<p>If legislative action passes, the state and the payers will need to obtain access to the NJPMP and the MPI. DOH, DCA and DHS will collaborate to establish this functionality</p> <p>Date of implementation is contingent upon State legislative approval.</p>
3.) Use of PDMP – Supporting Clinicians with Changing Office Workflows / Business Processes			
A.) Develop enhanced provider workflow / business processes to better support clinicians in accessing the PDMP prior to prescribing an opioid or other controlled substance to address the issues which follow	<p>Prescribers/clinicians use the NJPMP website to conduct a patient search.</p> <p>The NJPMP (Appriss Health) does not connect with electronic prescribing software systems.</p>	<p>The ability for the NJPMP to connect or integrate with electronic medical record (EMR) software systems so that a physician can run a patient PMP report from within their EMR software.</p> <p>NJ plans on evaluating this opportunity and its feasibility for clinician access.</p>	<p>Collaboration with the DOH, DCA and DHS to evaluate the feasibility of offering an integrated NJPMP and EMR.</p> <p>The state will include in MCO contract renewal a requirement to use Health IT standards referenced in 42 CFR 170 Subpart B and the ISA.</p> <p>The MCO amendment was submitted for review for the July 2018 contract .</p> <p>MCOs were instructed to submit an HIT plan and an annual submission of the HIT data for their provider</p>

Milestone #5 Implementation of Comprehensive Treatment and Prevention Strategies to Address Opioid Abuse and Opioid Use Disorder (OUD).	Current State	Future State	Summary of Actions Needed
			network that includes, EHR usage, promoting interoperability program participation and HIE connectivity.
B.) Develop enhanced supports for clinician review of the patients' history of controlled substance prescriptions provided through the PDMP—prior to the issuance of an opioid prescription	Prescribers/clinicians use the NJPMP website to conduct a patient search and have access to a patient's history of controlled substance prescriptions.	The NJPMP can connect or integrate with electronic medical record (EMR) software systems so that a physician can run a patient PMP report from within their EMR software. NJ plans on evaluating this opportunity and its feasibility for clinician access.	<p>Collaboration with the DOH, DCA and DHS to evaluate the feasibility of offering an integrated NJPMP and EMR.</p> <p>Within in the NJ FamilyCare convened meeting with the DCA, DOH and DHS, this group will discuss this goal and evaluate the feasibility of the offering of an integrated NJPMP and EMR to prescribers by 2nd quarter 2019.</p>
4.) Master Patient Index / Identity Management			
A.) Enhance the master patient index (or master data management service, etc.) in support of SUD care delivery.	The NJHIN currently have established an MPI functionality that is being enhanced to a two-tiered MPI infrastructure.	At the time that the PMP is established as a state node to the NJHIN, the PMP will have access to the MPI functionality and its patient matching process.	<p>Collaboration between state entities, (DMAHS, NJDOH, and DCA) to establish connectivity of the PMP to the NJHIN in order for OUD/SUD providers to leverage MPI functionality.</p> <p>When the PMP is established as a state node, NJ FamilyCare will offer this functionality within one year to providers that support SUD care</p>

Milestone #5 Implementation of Comprehensive Treatment and Prevention Strategies to Address Opioid Abuse and Opioid Use Disorder (OUD).	Current State	Future State	Summary of Actions Needed
			delivery.
5.) Overall Objective for Enhancing PDMP Functionality & Interoperability			
E.) Leverage the above functionalities / capabilities / supports (in concert with any other state health IT, TA or workflow effort) to implement effective controls to minimize the risk of inappropriate opioid overprescribing—and to ensure that Medicaid does not inappropriately pay for opioids	Although the PMP/NJHIN connectivity has yet to be established, the NJHIN has other functionalities and use cases, such as event notification (admission discharge transfer or ADT events), that is utilized by HIE connected providers, including behavioral health providers. The event notification service may provide real-time information to OUD/SUD facilities when a client has sought care in a healthcare facility.	The State secured HITECH funding to onboard providers to the NJHIN allowing them to leverage the HIE functionalities.	Continue supporting behavioral providers to connect them to the NJHIN. NJ FamilyCare will continue onboarding providers with grant funding. Grant will expire Sept 30, 2019.
6.) Other:			
A.) Health IT infrastructure for State, Provider, IME and Federal Reporting	The New Jersey Substance Abuse Monitoring System (NJSAMS) is the Division of Mental Health and Addiction Services' (DMHAS) administrative data collection	The state is working to merge the data of the NJSAMS with the data from NJMMIS to be able to link data for	Ongoing meetings between the state Medicaid staff and staff from the DMHAS. Bi-weekly meetings with

Milestone #5 Implementation of Comprehensive Treatment and Prevention Strategies to Address Opioid Abuse and Opioid Use Disorder (OUD).	Current State	Future State	Summary of Actions Needed
	<p>system for clients who receive substance abuse treatment in New Jersey and is used by all licensed substance abuse treatment providers in New Jersey. It collects demographic, substance use, financial, clinical and service information. The system contains all the clinical assessments DMHAS requires providers to complete. It produces the National Outcome Measures (NOMs) and generates the data needed for Provider Performance Reports. It is used to fulfill the Federal Substance Abuse Prevention and Treatment Block Grant and Treatment Episode Data System (TEDS) reporting requirements. Recent updates to NJSAMS include client Medicaid verification and some limited EHR capabilities for providers.</p>	<p>reporting and identifying funding sources.</p>	<p>IME, NJ FamilyCare, NJMMIS, and DMHAS.</p> <p>Target date for this to be complete is 4th quarter 2019.</p>
<p>B.) The State will include in its MCO contracts the requirement to use health IT standards referenced in 45 CFR 170 Subpart B and the ISA</p>		<p>New Jersey will work toward establishing electronic prescribing (as listed in the PDMP section), direct transport standards, document sharing and care plans, ADT alerting and Messaging, and Clinical quality</p>	<p>New Jersey will begin meeting with the MCO's to introduce these requirements and allow adequate time for MCOs to evaluate needs of their networks and readiness for compliance to 45CFR 170 Subpart B and the ISA prior to adding as a requirement in the MCO contract. See 3) A. above.</p>

Milestone #5 Implementation of Comprehensive Treatment and Prevention Strategies to Address Opioid Abuse and Opioid Use Disorder (OUD).	Current State	Future State	Summary of Actions Needed
		measurement and reporting.	NJ will work with CMS and the ONC to ensure that appropriate contract language is consistent with this goal and developing measure's to monitor compliance.
C.) SUD Health IT plan and State Medicaid Health IT plan (SMHP) alignment	New Jersey has submitted to CMS the SMHP for review and approval process.		<p>The initiatives in this SUD HIT Implementation Plan will leverage the provider HIE on-boarding and the HIE infrastructure and architecture projects being funded by HITECH described further in the SMHP.</p> <p>Examples of the proposed initiatives include the connection of the PDMP to the state HIE infrastructure, NJHIN.</p> <p>Once established, HIE defined opioid use cases to reduce opioid addiction risk may be implemented using the PMP/HIE connections.</p>
D. Monitoring of SUD Health IT plan	At present, New Jersey does not have a formalized approach to monitor the SUD health IT plan.	Within the NJ SUD Monitoring Protocol, NJ will monitor the goals of this HIT Plan and report the progress of these goals quarterly to CMS	New Jersey is requesting assistance from CMS and ONC to further develop monitoring protocol related to this HIT Plan.

Milestone #5 Implementation of Comprehensive Treatment and Prevention Strategies to Address Opioid Abuse and Opioid Use Disorder (OUD).	Current State	Future State	Summary of Actions Needed

Attachment A, Section II – Implementation Administration

The following is the state’s point of contact for the SUD Health IT Plan:

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Attachment A, Section III - Relevant Documents:

Behavioral Health Pilot to reduce Opioid Addiction

Executive Summary

There is no question as to the severity of the current Opioid crisis in the United States. The staggering impact on the lives of patients and the overall financial cost to our healthcare system are unacceptable. Fortunately, there is something that can be done about it. Pockets of information are available across the healthcare continuum that can be used to predict a risk factor of patients developing Opioid Use Disorder. Working with the State of NJ and informed by the *Integrating Behavioral and Physical Health Care in New Jersey* guidelines, transforming relevant behavioral health and medical data into real-time information is within reach.

NJII is proposing a pilot use case to collect data, aggregate it into an Opioid Use Disorder risk factor, and make that risk factor available to clinicians in real-time by sending alerts to Emergency departments at the time that a patient is admitted. Depending on the risk factor, clinical guidelines, including Alternatives to Opioids (ALTO), will be used as appropriate along with appropriate educational information, to be targeted at those who need it most. The pilot will ‘connect the dots’ and leverage prior infrastructure investments in the healthcare landscape to reduce the use of, and potential addictions to, Opioid pain medications.

Many research efforts and predictors of Opioid Use Disorder have been published. Some are basic demographic data points such as age and biological gender. Male patients in the age range of 15-46 represent a higher risk group than others. History of substance abuse and other mental health diagnosis are strong predictors. High utilizers of medical services and prior use of Opioid based medications are also key factors. By combining data from various sources, a risk profile can be built that can be used to adjust pain management and educate potential Opioid abusers before an Opioid problem begins.

Goal

Rapid development and implementation of an **Opioid risk and reduction Use Case** beginning with a subset of Emergency Departments in various demographic environments.

Approach

Step 1: Convene a **tactical** task force consisting of:

- Key stakeholders from NJII, NJ State and OAG
- Medical experts in medicine and behavioral health
- Technology experts from NJII, state and HIEs
- Policy and compliance experts

Step 2: Collect data points to create risk tool. This step will offer a proof-of-concept to the Behavioral Health data distribution methodology under consideration/development by NJII/NJHIN. Informed by current Opioid Risk Tools and various studies, key data points include (but not limited to):

Data Source	Data Description
PDMP	Number of Opioid Prescriptions in last 18 months
PDMP	Medications filled for treatment of depression
PDMP	Medications filled for treatment of other mental health disorder
HIE/HOSP	Utilization of Hospital in past 12 months (# of visits)
HIE/HOSP	History of Alcohol Abuse
HIE/HOSP	History of Drug Abuse
HIE/HOSP	Family History of Substance Abuse
MPI	Biological Gender
MPI	Age
MPI	Identity Confidence

Step 3: Due to the sensitive status of much of this information, a process of developing a rules-based filter will be piloted. Based on information published in the Seton Hall Law report, Integrating Behavioral and Physical Health Care in New Jersey, NJII is exploring the feasibility developing a computer based ‘rules filter’ designed to make Behavioral Health data available for clinical use as supported by federal and state legislation. Appropriate filtering for compliance with CFR 42 Part 2 rules and other restrictions are anticipated in this use case.

Step 4: Communicate risk factors via ED alerts for real-time notification of patients with an escalated risk for developing Opioid Use Disorder.

Step 5: Distribute alternative to Opioid guidelines (based on existing programs) for consideration for patients at high risk and target educational and information to patients at higher risk levels.

Step 5: Baseline and monitor indicators related to Opioid prescriptions and patients diagnosed with Opioid Use Disorders to assess effectiveness of program.

Logical Diagram



ance Rule Filter

A double-headed arrow pointing diagonally, with one arrowhead pointing towards the top-right and the other towards the bottom-left.

Appendix A, Attachment B NJ HIT Environmental Scan

http://www.state.nj.us/health/njhit/documents/NJ%20HIT%20Environmental%20Scan_Final%20Report_20170923.pdf

Attachment F
New Jersey FamilyCare Comprehensive Demonstration
Protocol for HRSN Infrastructure and HRSN Services
Placeholder for Protocol for HRSN Infrastructure and HRSN Services

Attachment G
New Jersey FamilyCare Comprehensive Demonstration
New Initiatives Implementation Plan
Placeholder for New Initiatives Implementation Plan

Attachment H
New Jersey FamilyCare Comprehensive Demonstration
OPG Financial Eligibility Implementation Plan

Attachment H

NJ FamilyCare Comprehensive Demonstration Implementation Plan

**STC 5.14 Process for Improving the Efficiency of the Financial Eligibility
Determination Process for Individuals Under the Guardianship of the OPG**

4/1/2023

The New Jersey Office of the Public Guardian (OPG) is a state agency that serves as guardian for legally incapacitated individuals aged 60 and older. The Office makes all decisions for the protected individuals in its care, including medical, financial and legal decisions. All individuals served have serious cognitive issues that render them unable to provide meaningful information about their income and assets. Furthermore, in most cases there are no involved or helpful family members or friends to assist with this process. OPG staff must therefore attempt to piece together each individual's financial profile with minimal or no background information.

OPG currently serves as guardian for roughly 1700 individuals. Over the course of each year, hundreds of these individuals pass away and are replaced by other seniors who require protection. The need for OPG's services continues to grow as the population ages and the ranks of those impacted by elder abuse swell.

Once all of the required information is collected, if needed, OPG files a paper application and submits it for processing for Medicaid Eligibility. To assist the OPG with Medicaid determinations, DMAHS has established two eligibility units in Salem and Cumberland counties to process Medicaid applications for OPG wards. These two dedicated units allow the OPG staff to establish relationships with the staff of the county eligibility units to ensure good communication to speed up the eligibility process instead of communicating with 21 different county offices across the state. These two designated county eligibility units are typically processing between 20-40 applications for OPG clients at any given time. The eligibility units verify the information on the applications electronically and are able to provide the OPG with information on other found bank account, property, and other assets discovered during the verification process.

To improve the efficiency of the financial eligibility determination for OPG wards, the eligibility system, has been enhanced to allow electronic transfers from all other counties throughout the state to Salem and Cumberland. This was implemented in September 2021. The eligibility system has an OPG attestation indicator so that OPG and the state can monitor the special timelines set forth in the Demonstration. Unique notices were developed to obtain information and the online processing allows for more immediate electronic verifications (name, date of birth, SSN, citizenship/identity, and immigration status), to validate the information provided and reduce the need for locating paper documents as proofs. The online system has immediate access to the AVS system and therefore, the state has the opportunity to help OPG identify any resources not known at the time of the application.

The eligibility system enhancements allows any OPG application submitted for the OPG Attestation program to be tracked by the state. All applications in the OPG Attestation

program are monitored by both the state and OPG a through to completion to expedite access to health care.

OPG has a database to improve efficiency and has obtained additional skilled staff to manage relationships with financial institutions that are historically reluctant to turn over client assets to OPG. Unfortunately, the OPG, in spite of having legal authority and improved efficiencies, continues to have some issues with the time it takes to actually be able to access the assets in order to spend down. All of the above efficiencies are being pursued so that abandoned and confused seniors no longer languish inappropriately in acute care settings or remain at risk in isolated community settings pending Medicaid eligibility.

Attachment I
New Jersey FamilyCare Comprehensive Demonstration
SUD Monitoring Protocol
Placeholder for SUD Monitoring Protocol

Attachment J
New Jersey FamilyCare Comprehensive Demonstration
Monitoring Protocol for Other Policies
Placeholder for Monitoring Protocol for Other Policies

Attachment K
New Jersey FamilyCare Comprehensive Demonstration
Evaluation Design

Placeholder for Evaluation Design

Attachment L
New Jersey FamilyCare Comprehensive Demonstration
New Jersey Home Visiting Services Protocol

Attachment L

New Jersey Home Visiting Services Protocol

Per STC 5.13, the following protocol includes additional information about the evidence-based New Jersey home visiting (NJHV) pilot program.

As described in STC 40, under the NJHV pilot program, the state will provide evidence-based home visiting services by licensed practitioners or certified home visitors to promote health outcomes, whole person care, and community-integration for high-risk pregnant women, parents of children up to three (3) years old in the Health Families America (HFA) and Parents as Teachers (PAT) and children up to (2) years old for the Nurse Family Partnership (NFP), in all counties throughout the state. The services are described in Table One: Description of Services below, which are based on the evidence-based models discussed below. The provider qualifications are described in Table Two: Provider Requirements below, which include provider titles, licensure certification, education, training, and experience requirements. The NJHV pilot program is aligned with the following three evidence-based models focused on the health of pregnant women.

- a. NFP: The NFP is designed to reinforce maternal behaviors that encourage positive parent child relationship and maternal, child, and family accomplishments. The demonstration NFP pilot program will adhere to the NFP national program standards and service will be suspended once the child reaches two (2) years old.
- b. HFA: The HFA model targets parents facing issues such as single parenthood, low income, childhood history of abuse, substance use disorder (SUD), mental health issues, or domestic violence.
- c. PAT: The PAT model targets at-risk pregnant women and new parents, and infants and children to age two to identify and address perinatal and infant/child health issues and developmental delays, and parent knowledge and support.

The services are described in Table One: Description of Services below.

Table One: Description of Services

Service	Description of Service
Prenatal Home Visit	<p>The NJHV Pilot Program will provide home visit services to expectant mothers during their pregnancy. The prenatal home visit services will provide:</p> <ul style="list-style-type: none"> • Monitoring for high blood pressure or other complications of pregnancy (NFP only); • Diet and nutritional education; • Stress management; • Sexually Transmitted Diseases (STD) prevention education; • Tobacco use screening and cessation education; • Alcohol and other substance misuse screening and counseling; • Depression screening; and • Domestic and intimate partner violence screening and education.
Postpartum Home Visits	<p>The NJHV Pilot Program will provide home visit services to Medicaid eligible mothers during their sixty (60) day postpartum period.</p> <ul style="list-style-type: none"> • Diet and nutritional education; • Stress management; • STD prevention education; • Tobacco use screening and cessation education; • Alcohol and other substance misuse screening and counseling; • Depression screening; • Domestic and intimate partner violence screening and education; • Breastfeeding support and education (NFP may refer beneficiaries out to a lactation specialist, but the lactation consultant services are not covered as a home-visiting service); • Guidance and education with regard to well woman visits to obtain recommended preventive services; • Medical assessment of the postpartum mother and infant (NFP only); • Maternal-infant safety assessment and education e.g. safe sleep education for Sudden Infant Death Syndrome (SIDS) prevention • Counseling regarding postpartum recovery, family planning, needs of a newborn; • Assistance for the family in establishing a primary source of care and a primary care provider (i.e. ensure that the mother/ infant has a postpartum/ newborn visit scheduled); • Parenting skills and confidence building (HFA emphasis).
Infant Home Visits	<p>The NJHV Pilot Program will provide home visit services to newborn infants born to NJHV Pilot Program beneficiaries until the child reaches three (3) years of age.</p> <ul style="list-style-type: none"> • Breastfeeding support and education (NFP may refer beneficiaries out to a lactation specialist, but the lactation consultant services are not covered as a home-visiting service)); and

	<ul style="list-style-type: none"> • Child developmental screening at major developmental milestones from birth to age two (2); • Parenting skills and confidence building (the HFA program emphasizes these skills). • Promoting parent/child attachment and positive infant mental health/social-emotional wellness.
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The three evidence-based practice models specify an array of services that may be provided to meet the needs of the family.

The HFA and PAT program models meet the criteria established by the U.S. Department of Health and Human Services (HHS) for an “evidence-based early childhood home visiting service delivery model.” Goals include reducing child maltreatment, improving parent-child interactions and children’s social-emotional well-being, and promoting children’s school readiness. HFA Model program components include 1) screenings and assessments to determine families at risk for child maltreatment or other adverse childhood experiences; 2) parent education and support services; and 3) routine screening for child development and maternal depression as well as screening for domestic violence and substance abuse. In the case of a positive screen, the individual is referred for appropriate treatment services. In such cases, care coordination may also occur if consent is provided by the parent. If consent is provided, home visitors may refer participants out to external resources and providers. The type of referral may vary depending upon the type of service required. With additional consent, home visitors will liaise with the provider to ensure coordination of care. The PAT model overall goals are to 1) increase parent knowledge of early childhood development and improve parent practices, 2) provide early detection of developmental delays and health issues, 3) prevent child abuse and neglect, and 4) increase children’s school readiness and success.

In addition, many sites offer services such as parent support groups and father involvement programs. Home visitors complete training modules that include such topics such as keeping babies healthy and safe, fostering infant and child development, and promoting mental health. Thus, HFA and PAT model services offered to mothers may include both teaching basic parenting skills, and training parents on how to manage a child’s medical, behavioral, and/or developmental treatment needs.

The NFP program model also meets the criteria established by HHS for an “evidence-based early childhood home visiting service delivery model.” The program model is designed for first-time, low-income mothers and their children, and is designed to improve 1) prenatal health and outcomes; 2) child health and development; and 3) families’ economic self-sufficiency and/or maternal life course development. NFP home visitors use input from parents, nursing experience, nursing practice, and a variety of model-specific resources coupled with the principles of motivational interviewing to promote low-income, first-time mothers’ health during pregnancy, care of their child, and own personal growth and development. NFP program model, therefore, may also address both teaching basic parenting skills, as well as training parents on how to manage a child’s medical, behavioral, and/or developmental treatment needs.

The provider qualifications for the services provided are described in Table Two: Provider Qualifications below.

Table Two: Provider Qualifications

<i>Home Visitor Provider Qualifications</i>				
Home Visitors	Education (typical)	Experience (typical)	Skills (preferred)	Training
Healthy Families America Home Visitors – Must be hired by an HFA affiliated or accredited agency	Bachelor’s Degree in Behavioral Sciences (Social Work, Psychology, Sociology, Mental Health, Nursing and Education) preferred; Associate’s Degree in Human Services or related field. May have high school diploma or GED.	3-5 years’ experience working in Human or Social Services; 1 year working with or providing services to children and families; Case management or service coordination experience preferred; Experience and willingness to work with a culturally diverse population. A Master’s Degree in nursing or public health may be substituted for one year of the required experience.	Oral and written communication skills. Ability to develop trusting relationships. Ability to maintain professional boundaries. Acceptance of individual differences. Knowledge of infant and child development. Openness to reflective practice.	Must meet HFA program training requirements, including: Core Training; Curriculum training; Wraparound training; customized advanced training; any additional program based continuing education training requirements.
Nurse Family Partnership (NFP) Nurse Home Visitors – Hired by approved Nurse Family Partnership implementing agency	Registered nurse (RN) with Baccalaureate degree in nursing; may have additional degrees beyond BSN such as MSN or, other related/advanced practitioner designations e.g. nurse practitioner, nurse midwife; current licensure.	At least 5 years’ experience in public health nursing, maternal and child health, behavioral health nursing, pediatrics, or other fields. Must have American Heart Association HealthCare provider CPR (Cardiopulmonary Resuscitation) and	Technical skills: Providing care mgmt. and care coordination to high-risk pops; understanding and applying federal, state, local, and grant program regulations and policies in a public health environment;	Comprehensive training and preparation as required by NFP model.

		<p>valid AED (automated External Defibrillator) certification.</p> <p>A Master's Degree in nursing or public health may be substituted for one year of the required experience.</p>	<p>Leadership skills, interpersonal and relationship building; communication and quality improvement analysis skills.</p>	
<p>Nurse Home Visitor Supervisor</p> <p>– Hired by approved Nurse Family Partnership implementing agency</p>	<p>Registered nurse (RN) with Baccalaureate degree in nursing. Preferred that nurse supervisors have additional degrees beyond BSN such as MSN or, other related/advanced practitioner designations e.g. nurse practitioner, nurse midwife.</p>	<p>At least 5 years' experience in public health nursing, maternal and child health, behavioral health nursing, pediatrics, or other fields. Must have American Heart Association HealthCare provider CPR (Cardiopulmonary Resuscitation) and valid AED (automated External Defibrillator) certification.</p> <p>A Master's Degree in nursing or public health may be substituted for one year of the required experience.</p>	<p>Nurses must receive reflective supervision weekly to meet requirements of the evidence based program. This nurse supervision is part of the direct services provided. Nurse supervisors may conduct home visits as required to support nurses and/or beneficiaries level of care needs. For example, if a child or caregiver is ill for a month, a Nurse Home Visitor Supervisor may visit the home to re-assess the caregiver and child and offer an appropriate level of care.</p>	<p>Comprehensive training and preparation as required by NFP model.</p>

<p>Parents as Teachers Parent Educators</p>	<p>Bachelor's Degree in Social Work, Early Childhood or related field preferred; Associate's Degree in human services, health or related field.</p> <p>May have a high school diploma or GED. Prefer PAT supervisor to have a Master's degree.</p>	<p>3-5 years work experience in community social services; 1 year work experience with children and families; service coordination/case management preferred; experience/ willingness to work with culturally diverse population.</p> <p>Supervisor: PAT experience.</p>	<p>Oral/written communication. Building trusting relationships/ setting professional boundaries. Cultural competence/ acceptance of individual differences. Knowledge of infant and child development. Motivational interviewing. Reflective practice concepts.</p> <p>Supervisor: leadership, data analysis, and CQI skills.</p>	<p>Comprehensive training and preparation as per PAT National program:</p> <ul style="list-style-type: none"> • Core training • Parent/Child Curriculum • Wraparound training • Other program-based continuing education <p>Reflective supervision is part of direct services.</p>
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Attachment M
New Jersey FamilyCare Comprehensive Demonstration
COVID-19 Emergency Preparedness and Response Addendum 1

Attachment M
COVID-19 Emergency Preparedness and Response
Addendum 1

APPENDIX K: Emergency Preparedness and Response and COVID-19 Addendum

Background:

This standalone appendix may be utilized by the state during emergency situations to request amendments to its approved waiver, to multiple approved waivers in the state, and/or to all approved waivers in the state. It includes actions that states can take under the existing Section 1915(c) home and community-based waiver authority in order to respond to an emergency. Other activities may require the use of various other authorities such as the Section 1115 demonstrations or the Section 1135 authorities.¹ This appendix may be applied retroactively as needed by the state. Public notice requirements normally applicable under 1915(c) do not apply to information contained in this Appendix.

Appendix K-1: General Information

General Information:

A. State : STATE OF NEW JERSEY

B. Waiver Title (s): NJ FamilyCare (NJFC) Comprehensive Demonstration

C. Control Number(s):
11-W-00279/2

D. Type of Emergency (The state may check more than one box):

<input checked="" type="checkbox"/>	Pandemic or Epidemic
<input type="checkbox"/>	Natural Disaster
<input type="checkbox"/>	National Security Emergency
<input type="checkbox"/>	Environmental
<input type="checkbox"/>	Other (specify):

E. Brief Description of Emergency. *In no more than one paragraph each*, briefly describe the: 1) nature of emergency; 2) number of individuals affected and the state's mechanism to identify individuals at risk; 3) roles of state, local and other entities involved in approved waiver operations; and 4) expected changes needed to service delivery methods, if applicable. The state should provide this information for each emergency checked if those emergencies affect different geographic areas and require different changes to the waiver.

This Appendix K is additive to the previously approved Appendix K and extends the anticipated end date to six months after the public health emergency ends.

F. **Proposed Effective Date: Start Date:** March 1, 2020 **Anticipated End Date:** 6 months after the end of the PHE.

G. **Description of Transition Plan.**

All activities will take place in response to the impact of COVID-19 as efficiently and effectively as possible based upon the complexity of the change.

H. **Geographic Areas Affected:**

These actions will apply across the waiver to all individuals impacted by the COVID-19 virus

I. **Description of State Disaster Plan (if available) Reference to external documents is acceptable:**

N/A

Appendix K-2: Temporary or Emergency-Specific Amendment to Approved Waiver


Temporary or Emergency-Specific Amendment to Approved Waiver:

These are changes that, while directly related to the state's response to an emergency situation, require amendment to the approved waiver document. These changes are time limited and tied specifically to individuals impacted by the emergency. Permanent or long-ranging changes will need to be incorporated into the main appendices of the waiver, via an amendment request in the waiver management system (WMS) upon advice from CMS.

a **Access and Eligibility:**

i **Temporarily increase the cost limits for entry into the waiver.**
[Provide explanation of changes and specify the temporary cost limit.]

i. **Temporarily modify additional targeting criteria.**
[Explanation of changes]



Date : 3/19/21

State Medicaid Director or Designee

First Name : Jennifer
Last Name Langer Jacobs
Title : Assistant Commissioner
Agency: Division of Medical Assistance and Health Services
Address 1: 7 Quakerbridge Plaza
Address 2: Click or tap here to enter text.
City Hamilton
State NJ
Zip Code 08619
Telephone: 609-588-2600
E-mail Jennifer.Jacobs@dhs.state.nj.us
Fax Number Click or tap here to enter text.

APPENDIX K: Emergency Preparedness and Response and COVID-19 Addendum

Background:

This standalone appendix may be utilized by the state during emergency situations to request amendments to its approved waiver, to multiple approved waivers in the state, and/or to all approved waivers in the state. It includes actions that states can take under the existing Section 1915(c) home and community-based waiver authority in order to respond to an emergency. Other activities may require the use of various other authorities such as the Section 1115 demonstrations or the Section 1135 authorities.¹ This appendix may be applied retroactively as needed by the state. Public notice requirements normally applicable under 1915(c) do not apply to information contained in this Appendix.

Appendix K-1: General Information

General Information:

A. State: New Jersey

B. Waiver Title(s): NJ FamilyCare (NJFC) Comprehensive Demonstration

C. Control Number(s):
11-W-00279/2

D. Type of Emergency (The state may check more than one box):

<input checked="" type="checkbox"/>	Pandemic or Epidemic
<input type="checkbox"/>	Natural Disaster
<input type="checkbox"/>	National Security Emergency
<input type="checkbox"/>	Environmental
<input type="checkbox"/>	Other (specify):

E. **Brief Description of Emergency.** *In no more than one paragraph each*, briefly describe the: 1) nature of emergency; 2) number of individuals affected and the state’s mechanism to identify individuals at risk; 3) roles of state, local and other entities involved in approved waiver operations; and 4) expected changes needed to service delivery methods, if applicable. The state should provide this information for each emergency checked if those emergencies affect different geographic areas and require different changes to the waiver.

COVID-19 pandemic. This amendment will apply waiver-wide for each waiver included in this Appendix, to all individuals impacted by the virus or the response to the virus (e.g. closure of day programs, etc.) Note that this Appendix K submission is intended to be in addition to the previous Appendix K submission that CMS approved on May 15, 2020. It does not replace or invalidate that previously approved Appendix K.

F. **Proposed Effective Date: Start Date:** March 1, 2020 **Anticipated End Date:** February 28, 2021

G. **Description of Transition Plan.**

All activities will take place in response to the impact of COVID-19 as efficiently and effectively as possible based upon the complexity of the change.

H. **Geographic Areas Affected:**

These actions will apply across the waiver to all individuals impacted by the COVID-19 virus

I. **Description of State Disaster Plan (if available)** *Reference to external documents is acceptable:*

N/A

Appendix K-2: Temporary or Emergency-Specific Amendment to Approved Waiver

Temporary or Emergency-Specific Amendment to Approved Waiver:

These are changes that, while directly related to the state's response to an emergency situation, require amendment to the approved waiver document. These changes are time limited and tied specifically to individuals impacted by the emergency. Permanent or long-ranging changes will need to be incorporated into the main appendices of the waiver, via an amendment request in the waiver management system (WMS) upon advice from CMS.

a. **Access and Eligibility:**

i. **Temporarily increase the cost limits for entry into the waiver.**

[Provide explanation of changes and specify the temporary cost limit.]

ii. **Temporarily modify additional targeting criteria.**

[Explanation of changes]

[Redacted]

b. ___ Services

i. ___ Temporarily modify service scope or coverage.

[Complete Section A- Services to be Added/Modified During an Emergency.]

ii. ___ Temporarily exceed service limitations (including limits on sets of services as described in Appendix C-4) or requirements for amount, duration, and prior authorization to address health and welfare issues presented by the emergency.

[Explanation of changes]

[Redacted]

iii. ___ Temporarily add services to the waiver to address the emergency situation (for example, emergency counseling; heightened case management to address emergency needs; emergency medical supplies and equipment; individually directed goods and services; ancillary services to establish temporary residences for dislocated waiver enrollees; necessary technology; emergency evacuation transportation outside of the scope of non-emergency transportation or transportation already provided through the waiver).

[Complete Section A-Services to be Added/Modified During an Emergency]

iv. ___ Temporarily expand setting(s) where services may be provided (e.g. hotels, shelters, schools, churches). Note for respite services only, the state should indicate any facility-based settings and indicate whether room and board is included:

[Explanation of modification, and advisement if room and board is included in the respite rate]:

[Redacted]

v. ___ Temporarily provide services in out of state settings (if not already permitted in the state’s approved waiver). [Explanation of changes]

[Redacted]

c. ___ Temporarily permit payment for services rendered by family caregivers or legally responsible individuals if not already permitted under the waiver. Indicate the services to which this will apply and the safeguards to ensure that individuals receive necessary services as authorized in the plan of care, and the procedures that are used to ensure that payments are made for services rendered.

[Redacted]

d. ___ Temporarily modify provider qualifications (for example, expand provider pool, temporarily modify or suspend licensure and certification requirements).

i. ___ Temporarily modify provider qualifications.

[Provide explanation of changes, list each service affected, list the provider type, and the changes in provider qualifications.]

ii. ___ Temporarily modify provider types.

[Provide explanation of changes, list each service affected, and the changes in the provider type for each service].

iii. ___ Temporarily modify licensure or other requirements for settings where waiver services are furnished.

[Provide explanation of changes, description of facilities to be utilized and list each service provided in each facility utilized.]

e. ___ Temporarily modify processes for level of care evaluations or re-evaluations (within regulatory requirements). [Describe]

f. ___ Temporarily increase payment rates.

[Provide an explanation for the increase. List the provider types, rates by service, and specify whether this change is based on a rate development method that is different from the current approved waiver (and if different, specify and explain the rate development method). If the rate varies by provider, list the rate by service and by provider.]

g. ___ Temporarily modify person-centered service plan development process and individual(s) responsible for person-centered service plan development, including qualifications.

[Describe any modifications including qualifications of individuals responsible for service plan development, and address Participant Safeguards. Also include strategies to ensure that services are received as authorized.]

h. ___ Temporarily modify incident reporting requirements, medication management or other participant safeguards to ensure individual health and welfare, and to account for emergency circumstances. [Explanation of changes]

i. ___ Temporarily allow for payment for services for the purpose of supporting waiver participants in an acute care hospital or short-term institutional stay when necessary supports (including communication and intensive personal care) are not available in that setting, or when the individual requires those services for communication and behavioral stabilization, and such services are not covered in such settings.

[Specify the services.]

j. X Temporarily include retainer payments to address emergency related issues.

[Describe the circumstances under which such payments are authorized and applicable limits on their duration. Retainer payments are available for habilitation and personal care only.]

The state offers retention payments to congregate day facilities that render day habilitation and related services to individuals served under the Supports and Community Care Programs, operated by the Division of Developmental Disabilities. The state assures that the retainer payments are only for personal care services and day habilitation services that include personal care as a component. Such payments will be made for periods when such providers are unable to safely offer services due to COVID-19. This includes instances where such providers have been required to close based on local, state, or federal medical or public health guidance. Such payments may continue for up to three discreet episodes of up to 30 consecutive days. Such episodes may follow each other without interruption – i.e. one 30-day episode may begin immediately after the conclusion of another. Retainer payments will be paid as a lump sum on a biweekly basis, and calculated as follows. For the first two weeks (10 days) of the initial episode for which retainer payments are made, they will be equal to 100% of average total Medicaid claims, based on the individual provider’s highest Medicaid claims month between July 2019-December 2019. For all subsequent periods, retainer payments will be equal to 75% of average total Medicaid claims, based on the individual provider’s highest Medicaid claims month between July 2019-December 2019.

In order to receive retainer payments, providers will be required to attest that (a) they acknowledge that such payments are subject to recoupment if inappropriate billing or duplicate payments occurred (or in periods of disaster, duplicate uses of available funding streams) as identified in a state audit or any other authorized third party review. (Note that “duplicate uses of available funding streams” means using more than one funding stream for the same purpose); (b) they will not lay off staff or reduce wages while receiving retainer payments; and (c) that they have not received funding from other sources that would exceed revenue for last full quarter prior to the public health emergency (PHE), or such that the retainer payments at the level provided by the State will result in revenue exceeding that of the quarter prior to the PHE. More specifically, in order to receive retainer payments, providers will be required to attest that they have not received funding from any other sources, including but not limited to, unemployment benefits and Small Business Administration loans, that would exceed their revenue for the last full quarter prior to the PHE. If a provider had not already received revenues in excess of the pre-PHE level but receipt of the retainer payment in addition to those prior sources of funding results in the provider exceeding the pre-PHE level, any retainer payment amounts in excess would be recouped.

k. ___ Temporarily institute or expand opportunities for self-direction.

[Provide an overview and any expansion of self-direction opportunities including a list of services that may be self-directed and an overview of participant safeguards.]

l. ___ Increase Factor C.

[Explain the reason for the increase and list the current approved Factor C as well as the proposed revised Factor C]

m. ___ Other Changes Necessary [For example, any changes to billing processes, use of contracted entities or any other changes needed by the State to address imminent needs of individuals in the waiver program]. [Explanation of changes]

Appendix K Addendum: COVID-19 Pandemic Response

1. HCBS Regulations

- a Not comply with the HCBS settings requirement at 42 CFR 441.301(c)(4)(vi)(D) that individuals are able to have visitors of their choosing at any time, for settings added after March 17, 2014, to minimize the spread of infection during the COVID-19 pandemic.

2. Services

- a Add an electronic method of service delivery (e.g., telephonic) allowing services to continue to be provided remotely in the home setting for:
 - i Case management
 - i Personal care services that only require verbal cueing
 - i In-home habilitation
 - ix Monthly monitoring (i.e., in order to meet the reasonable indication of need for services requirement in 1915(c) waivers).
 - v Other [*Describe*]:

- b Add home-delivered meals
- c Add medical supplies, equipment and appliances (over and above that which is in the state plan)
- d Add Assistive Technology

3. Conflict of Interest: The state is responding to the COVID-19 pandemic personnel crisis by authorizing case management entities to provide direct services. Therefore, the case management entity qualifies under 42 CFR 441.301(c)(1)(vi) as the only willing and qualified entity.

- a Current safeguards authorized in the approved waiver will apply to these entities.
- b Additional safeguards listed below will apply to these entities.

4. Provider Qualifications

- a Allow spouses and parents of minor children to provide personal care services
- b Allow a family member to be paid to render services to an individual.
- c Allow other practitioners in lieu of approved providers within the waiver. *[Indicate the providers and their qualifications]*

- d Modify service providers for home-delivered meals to allow for additional providers, including non-traditional providers.

5. Processes

- a Allow an extension for reassessments and reevaluations for up to one year past the due date.
- b Allow the option to conduct evaluations, assessments, and person-centered service planning meetings virtually/remotely in lieu of face-to-face meetings.
- c Adjust prior approval/authorization elements approved in waiver.
- d Adjust assessment requirements
- e Add an electronic method of signing off on required documents such as the person-centered service plan.

Contact Person(s)

A. The Medicaid agency representative with whom CMS should communicate regarding the request:

First Name: Stacy
Last Name: Grim
Title: Demonstration Operations Manager
Agency: Division of Medical Assistance and Health Services
Address 1: 7 Quakerbridge Plaza
Address 2: Click or tap here to enter text.
City: Hamilton Township
State: NJ
Zip Code: 08619
Telephone: 609-588-2600
E-mail: Stacy.Grim@dhs.state.nj.us
Fax Number: Click or tap here to enter text.

B. If applicable, the State operating agency representative with whom CMS should communicate regarding the waiver is:

First Name: Click or tap here to enter text.
Last Name Click or tap here to enter text.
Title: Click or tap here to enter text.
Agency: Click or tap here to enter text.
Address 1: Click or tap here to enter text.
Address 2: Click or tap here to enter text.
City Click or tap here to enter text.
State Click or tap here to enter text.
Zip Code Click or tap here to enter text.
Telephone: Click or tap here to enter text.
E-mail Click or tap here to enter text.
Fax Number Click or tap here to enter text.

8. Authorizing Signature

Date:


9/8/2020

First Name: Jennifer
Last Name Langer Jacobs
Title: Assistant Commissioner
Agency: Division of Medical Assistance and Health Services
Address 1: 7 Quakerbridge Plaza
Address 2: Click or tap here to enter text.
City Hamilton
State NJ
Zip Code 08619
Telephone: 609-588-2600
E-mail Jennifer.Jacobs@dhs.state.nj.us
Fax Number Click or tap here to enter text.

Section A---Services to be Added/Modified During an Emergency

Complete for each service added during a time of emergency. For services in the approved waiver that the state is temporarily modifying, enter the entire service definition and highlight the change. State laws, regulations and policies referenced in the specification should be readily available to CMS upon request through the Medicaid agency or the operating agency (if applicable).

Service Specification			
Service Title:			
<i>Complete this part for a renewal application or a new waiver that replaces an existing waiver. Select one:</i>			
Service Definition (Scope):			
Specify applicable (if any) limits on the amount, frequency, or duration of this service:			
Provider Specifications			
Provider Category(s) <i>(check one or both):</i>	<input type="checkbox"/>	Individual. List types:	<input type="checkbox"/> Agency. List the types of agencies:
Specify whether the service may be provided by <i>(check each that applies):</i>	<input type="checkbox"/>	Legally Responsible Person	<input type="checkbox"/> Relative/Legal Guardian
Provider Qualifications <i>(provide the following information for each type of provider):</i>			
Provider Type:	License <i>(specify)</i>	Certificate <i>(specify)</i>	Other Standard <i>(specify)</i>
Verification of Provider Qualifications			
Provider Type:	Entity Responsible for Verification:		Frequency of Verification
Service Delivery Method			
Service Delivery Method <i>(check each that applies):</i>	<input type="checkbox"/>	Participant-directed as specified in Appendix E	<input type="checkbox"/> Provider managed



ⁱ Numerous changes that the state may want to make may necessitate authority outside of the scope of section 1915(c) authority. States interested in changes to administrative claiming or changes that require section 1115 or section 1135 authority should engage CMS in a discussion as soon as possible. Some examples may include: (a) changes to administrative activities, such as the establishment of a hotline; or (b) suspension of general Medicaid rules that are not addressed under section 1915(c) such as payment rules or eligibility rules or suspension of provisions of section 1902(a) to which 1915(c) is typically bound.

APPENDIX K: Emergency Preparedness and Response and COVID-19 Addendum

Background:

This standalone appendix may be utilized by the state during emergency situations to request amendments to its approved waiver, to multiple approved waivers in the state, and/or to all approved waivers in the state. It includes actions that states can take under the existing Section 1915(c) home and community-based waiver authority in order to respond to an emergency. Other activities may require the use of various other authorities such as the Section 1115 demonstrations or the Section 1135 authorities.¹ This appendix may be applied retroactively as needed by the state. Public notice requirements normally applicable under 1915(c) do not apply to information contained in this Appendix.

Appendix K-1: General Information

General Information:

- A. State: STATE OF NEW JERSEY
- B. Waiver Title(s): NJ FamilyCare (NJFC) Comprehensive Demonstration
- C. Control Number(s): 11-W-00279/2

D. Type of Emergency (The state may check more than one box):

<input checked="" type="checkbox"/>	Pandemic or Epidemic
<input type="checkbox"/>	Natural Disaster
<input type="checkbox"/>	National Security Emergency
<input type="checkbox"/>	Environmental
<input type="checkbox"/>	Other (specify):

E. **Brief Description of Emergency.** *In no more than one paragraph each*, briefly describe the: 1) nature of emergency; 2) number of individuals affected and the state’s mechanism to identify individuals at risk; 3) roles of state, local and other entities involved in approved waiver operations; and 4) expected changes needed to service delivery methods, if applicable. The state should provide this information for each emergency checked if those emergencies affect different geographic areas and require different changes to the waiver.

COVID-19 pandemic. This amendment will apply waiver-wide for each waiver included in this Appendix, to all individuals impacted by the virus or the response to the virus (e.g. closure of day programs, etc.)

F. Proposed Effective Date: Start Date: March 1, 2020 **Anticipated End Date:** February 28, 2021

G. Description of Transition Plan.

All activities will take place in response to the impact of COVID-19 as efficiently and effectively as possible based upon the complexity of the change.

H. Geographic Areas Affected:

These actions will apply across the waiver to all individuals impacted by the COVID-19 virus

I. Description of State Disaster Plan (if available) Reference to external documents is acceptable:

N/A

Appendix K-2: Temporary or Emergency-Specific Amendment to Approved Waiver

Temporary or Emergency-Specific Amendment to Approved Waiver:

These are changes that, while directly related to the state's response to an emergency situation, require amendment to the approved waiver document. These changes are time limited and tied specifically to individuals impacted by the emergency. Permanent or long-ranging changes will need to be incorporated into the main appendices of the waiver, via an amendment request in the waiver management system (WMS) upon advice from CMS.

a. Access and Eligibility:

i. Temporarily increase the cost limits for entry into the waiver.

[Provide explanation of changes and specify the temporary cost limit.]

ii. Temporarily modify additional targeting criteria.

[Explanation of changes]



b. Services

i. Temporarily modify service scope or coverage.

[Complete Section A- Services to be Added/Modified During an Emergency.]

ii. Temporarily exceed service limitations (including limits on sets of services as described in Appendix C-4) or requirements for amount, duration, and prior authorization to address health and welfare issues presented by the emergency.

[Explanation of changes]

- The state requests permission to temporarily lift prior authorization requirements for any service authorized by the 1115 demonstration. This authority will be used at the discretion of the state, and only to the extent necessary to address health and welfare issues and provide access to care during the emergency period.
- The state requests relaxing benefit limitations around provision of Home Delivered Meals. Specifically, we request that up to two home-delivered meals per day be made available, when the state determines it is necessary to maintain beneficiaries in the community, regardless of whether the beneficiary satisfies the requirements for home-delivered meals specified within Attachment D of our approved STCs.
- Allow the Supports Program, Community Care Program, and Children’s Support Services Programs services to exceed unit limits, where necessary to support members whose care has been disrupted by the emergency. Examples may include increasing daily allowed units to meet the needs of beneficiaries who would otherwise have been receiving day services (absent the emergency), or extending respite services beyond the ordinary 30 day limit in the event that a family member of a beneficiary is unable to provide care due to being diagnosed with COVID-19.

iii. Temporarily add services to the waiver to address the emergency situation (for example, emergency counseling; heightened case management to address emergency needs; emergency medical supplies and equipment; individually directed goods and services; ancillary services to establish temporary residences for dislocated waiver enrollees; necessary technology; emergency evacuation transportation outside of the scope of non-emergency transportation or transportation already provided through the waiver).

[Complete Section A-Services to be Added/Modified During an Emergency]

iv. Temporarily expand setting(s) where services may be provided (e.g. hotels, shelters, schools, churches). Note for respite services only, the state should indicate any facility-based settings and indicate whether room and board is included:

[Explanation of modification, and advisement if room and board is included in the respite rate]:

MLTSS, Supports Program,¹ Community Care Program, and Children’s Support Services Programs:

To the extent necessary to maintain access to care, allow reimbursement to any Medicaid provider/facility for waiver services rendered off-site in an unlicensed facility during an emergency evacuation or closure. In addition, and to the extent necessary to maintain access to care, allow reimbursement for any Medicaid provider/facility for waiver services rendered offsite, in order to comply with social distancing. Examples might include (but are not limited to) an enrollee who is diagnosed with COVID-19 and is placed in a temporary quarantine center where the HCBS services are not normally provided, provision of services by adult day program providers in the home for members who have chosen to shelter in place, provision of services in a DDD Day Program site that has been temporarily repurposed as a residential facility, and provision of services to beneficiaries with developmental disabilities in a provider-managed home that is under development but not yet licensed, if necessary to maintain access to services. In the case of a not-yet-licensed provider-managed home, such a home must be owned by an approved DDD provider, have a certificate of occupancy, have furnishings, and have been approved by both DDD and the Office of Licensing for temporary occupancy. In the case of a DDD Day Program site that has been temporarily repurposed as a residential facility, the temporary site must be approved by the Office of Licensing, have sufficient bathroom facilities (showers/toilets), have a kitchen or identify how meals and snacks will be accessed, how privacy will be maintained, what types of entertainment will be available, and identify what the types of beds will be available.

v. **Temporarily provide services in out of state settings (if not already permitted in the state’s approved waiver).** [Explanation of changes]

[Empty box for explanation of changes]

c. **Temporarily permit payment for services rendered by family caregivers or legally responsible individuals if not already permitted under the waiver.** Indicate the services to which this will apply and the safeguards to ensure that individuals receive necessary services as authorized in the plan of care, and the procedures that are used to ensure that payments are made for services rendered.

¹ For the purposes of this submission, “Supports” refers to the demonstration program for individuals 21+. When the Children’s Support Services programs are meant to be included, this will be indicated separately.

MLTSS: Payment to beneficiaries' family members for provision of personal care assistance (PCA) services in the event of disruption to ordinary sources of care such as school based services, medical day care services, or PCA agency services due to workforce shortage. Such payments must be approved on an as needed basis by the state.

Support Program and Community Care Program: Temporarily expand family members eligible to render Community Based and Individual Supports to include parents, spouses, and guardians to adjust for workforce shortages.

d. Temporarily modify provider qualifications (for example, expand provider pool, temporarily modify or suspend licensure and certification requirements).

i. Temporarily modify provider qualifications.

[Provide explanation of changes, list each service affected, list the provider type, and the changes in provider qualifications.]

- MLTSS
 - Allow staff of Medical Day Cares to provide Home Delivered Meals (limited to two meals per day), PCA, and/or clinical check-in to affected members. Meals, PCA, and clinical check-in would only be provided upon member request. PCA and clinical check-in services would be provided only by those Medical Day Care staff who possess appropriate credentials and are qualified to provide such services. This flexibility would be utilized in the event of a Medical Day Care closing, or to support members who are sheltering in their homes.
 - With the approval of the state, allow home delivered meals (limited to two meals per day) to be provided by any properly certified food distribution service, in either meal or grocery form.
 - As approved by the state, allow individuals with alternative professional qualifications to receive Medicaid reimbursement for Personal Care Assistance services (also applicable to State Plan members), in the event of staffing shortages or barriers to access. Alternative professional qualifications may include employment in a direct service role by a Medical Day Care provider where the center is closed and staff are able to provide personal care assistance services in a member's home or completion of 50% of clinical and classroom hours required for certification as a Personal Care Assistant by the Department of Health.
- Supports Program & Community Care Program
 - Allow temporary modification, not to exceed one year, of the following requirements at the discretion of the state, to the extent necessary to maintain a sufficient workforce:
 - For Individual Supports and Community Based Supports temporarily modify timelines for obtaining training requirements, criminal background checks, fingerprinting, staff physicals, and PPD testing.
 - Temporarily modify the Board Certified Behavioral Analyst (BCBA) certification requirement from Behavioral Supports in anticipation that individuals may present with the need for behavior guidelines/plans due to day facility closures and the need to remain quarantined in home for health and safety. The remaining requirements for Behavioral Supports remain intact:
 - Have demonstrated experience in positive behavior support and/or applied behavior analysis; and
 - Have 1 year working with people with developmental disabilities

ii. ☒ Temporarily modify provider types.

[Provide explanation of changes, list each service affected, and the changes in the .provider type for each service].

See above. Allowing additional providers (potentially with alternative qualifications) to offer various community-based services. Examples include MDC staff delivering meals or performing PCA tasks, or day services staff providing individual or community based supports in provider managed or own home settings.

iii. Temporarily modify licensure or other requirements for settings where waiver services are furnished.

[Provide explanation of changes, description of facilities to be utilized and list each service provided in each facility utilized.]

Allow the modification of certain facility licensure requirements for Children’s Support Services Program residential treatment settings to the extent necessary to maintain access to care. Specific waivers may include (but are not necessarily limited to) requirements around square footage, or required kitchen facilities. This flexibility will be offered in instances where a licensed provider temporarily delivers services at an alternative location within a site or an alternative site (potentially with a different address) within an agency. The Department of Children and Families, based on requests from residential treatment providers, will grant these flexibilities on a case-by-case basis.

For Community Care Program, temporarily suspend routine residential agency licensing inspections to ensure the safety of staff and service recipients. Such suspension will not exceed six months. This suspension will apply to routine inspections only; inspections will continue for emergent situations such as a new home. Video or telephonic check-in’s will occur if there are identified concerns during the temporary suspension of routine inspections. A revised licensing schedule will be developed once face-to-face contacts are not a health risk. In addition, for residential providers, temporarily modify the number of individuals allowed to reside in a licensed setting, in order to ensure the health and safety of individuals receiving services. For example, the number of individuals might be modified to allow individuals to move from one group home to a different group home, operated by the same provider, in order to have dedicated homes for individuals who have tested positive and/or negative for COVID-19. The Division of Developmental Disabilities, Office of Licensing will be notified of any such movements.

For the Supports Program and Community Care Program temporarily suspend day service facilities certification audits as a result of facility closures. A revised day service facilities certification schedule will be developed once the facilities re-open.

e. Temporarily modify processes for level of care evaluations or re-evaluations (within regulatory requirements). [Describe]

f. Temporarily increase payment rates.

[Provide an explanation for the increase. List the provider types, rates by service, and specify whether this change is based on a rate development method that is different from the current approved waiver (and if different, specify and explain the rate development method). If the rate varies by provider, list the rate by service and by provider.]

Rate increases are limited to Community Care Program providers of daily-rate Individual Supports, which are generally licensed group homes and supervised apartments. The rate increase is required due to the closure of congregate day habilitation programs. Due to this closure, residential providers were required to add additional staffing hours to their programs in order to support beneficiaries during the day. Effective March 17th through April 30th, payments will be increased by 20%. (Subsequent to April 30th, rates may be modified through a separate public notice process.) In order to make enhanced payment on a timely basis, and avoid the need for time-consuming systems changes, additional payments will be calculated in the aggregate (at the provider level) based on recent claims history, and be distributed via bi-weekly payments.

g. Temporarily modify person-centered service plan development process and individual(s) responsible for person-centered service plan development, including qualifications.

[Describe any modifications including qualifications of individuals responsible for service plan development, and address Participant Safeguards. Also include strategies to ensure that services are received as authorized.]

h. Temporarily modify incident reporting requirements, medication management or other participant safeguards to ensure individual health and welfare, and to account for emergency circumstances. [Explanation of changes]

Temporarily modify critical incident reporting requirements in STC 51, only to the extent they are impractical to implement during the emergency period. Temporarily modify home and community based characteristics requirements in STC 51, to the extent necessary due to displacement or other disruption resulting from the emergency.

Supports Program and Community Care Program: Temporarily replace face-to-face investigation interviews with telephonic contacts. Agencies must continue to report and investigate incidents in accordance with existing requirements. However, for minor incidents we are requesting to temporarily extend agency investigations and plan of correction submissions timelines by 60 days. An additional extension of 60 days may be requested for extenuating circumstances.

i. Temporarily allow for payment for services for the purpose of supporting waiver participants in an acute care hospital or short-term institutional stay when necessary supports (including communication and intensive personal care) are not available in that setting, or

when the individual requires those services for communication and behavioral stabilization, and such services are not covered in such settings.

[Specify the services.]

MLTSS, Community Care Program, Supports Program, and Children’s Support Services Programs:

For members who are temporarily in a hospital or other institution due to COVID-19, we are requesting HCBS be allowed to continue where necessary and to the extent such services are not directly provided by the institution. An example might be a member who is temporarily placed in a quarantine facility, but may require ongoing supportive services. Services provided may include Behavioral Health Services, Mental Health Services, Cognitive Therapies, Occupational Therapy, Physical Therapy, Speech/Language Therapy, Community-Based Supports (Supports Program), and Individual Supports (Community Care Program), and Personal Care Assistant services. Payment will only be made for such services for up to 30 consecutive days.

j. Temporarily include retainer payments to address emergency related issues.

[Describe the circumstances under which such payments are authorized and applicable limits on their duration. Retainer payments are available for habilitation and personal care only.]

The state requests the authority to offer retention payments for waiver providers who render habilitation and personal care services when beneficiaries are hospitalized, or otherwise unable to receive ordinary care, due to COVID-19. This includes instances where such providers have been required to close based on local, state, or federal medical or public health guidance. Such payments may continue for up to 30 consecutive days. Note that while we are requesting this authority in order to prepare for all eventualities, actual retainer payments will be contingent on (a) identified need based on monitoring of delivery system, and (b) state funding availability. In addition, retainer payments will be limited to situations where providers are not otherwise receiving reimbursement for services provided on a modified basis (e.g. for telehealth), and the state will implement processes to monitor and prevent duplication of billing.

k. Temporarily institute or expand opportunities for self-direction.

[Provide an overview and any expansion of self-direction opportunities including a list of services that may be self-directed and an overview of participant safeguards.]

The state requests an expedited enrollment process for self-directed care, including allowing telephonic enrollment in lieu of face-to-face. This is intended to ensure timely access to HCBS services due to staff shortages within PCA agency/AMDC providers due to COVID-19. The state is not requesting any expansion of the categories of services eligible to be delivered through self-direction.

l. Increase Factor C.

[Explain the reason for the increase and list the current approved Factor C as well as the proposed revised Factor C]

m. Other Changes Necessary [For example, any changes to billing processes, use of contracted entities or any other changes needed by the State to address imminent needs of individuals in the waiver program]. [Explanation of changes]

Appendix K Addendum: COVID-19 Pandemic Response

1. HCBS Regulations

- a. Not comply with the HCBS settings requirement at 42 CFR 441.301(c)(4)(vi)(D) that individuals are able to have visitors of their choosing at any time, for settings added after March 17, 2014, to minimize the spread of infection during the COVID-19 pandemic.

2. Services

- a. Add an electronic method of service delivery (e.g., telephonic) allowing services to continue to be provided remotely in the home setting for:
 - i. Case management
 - ii. Personal care services that only require verbal cueing
 - iii. In-home habilitation
 - iv. Monthly monitoring (i.e., in order to meet the reasonable indication of need for services requirement in 1915(c) waivers).
 - v. Other *[Describe]*:

MLTSS: Services including Cognitive Rehabilitative Therapy, Occupational Therapy, Physical Therapy, Speech/Language Therapy, Structured Day and Supported Day services – as specified in the MLTSS Service Dictionary, and Medical Day Center wellness calls to members who can no longer attend Medical Day.

Children’s Support Services Program services including social and emotional learning, interpreter services, individual supports, intensive in community clinical/therapeutic services, and intensive in community behavioral services.

Supports Program and Community Care Program: Allow the state discretion to shift from face-to-face service delivery to telephonic or telehealth instruction for the following waiver services: assistive technology, behavioral supports, career planning, community inclusion services, community based supports, cognitive rehabilitation therapy, day habilitation, individual supports, interpreter services, natural supports training, occupational therapy, physical therapy, speech, language, hearing therapy, support coordination, supported employment, and supports brokerage.

- b. Add home-delivered meals
- c. Add medical supplies, equipment and appliances (over and above that which is in the state plan)
- d. Add Assistive Technology

3. Conflict of Interest: The state is responding to the COVID-19 pandemic personnel crisis by authorizing case management entities to provide direct services. Therefore, the case management entity qualifies under 42 CFR 441.301(c)(1)(vi) as the only willing and qualified entity.

- a. Current safeguards authorized in the approved waiver will apply to these entities.
- b. Additional safeguards listed below will apply to these entities.

4. Provider

[Redacted]

Qualifications

- a. Allow spouses and parents of minor children to provide personal care services
- b. Allow a family member to be paid to render services to an individual.
- c. Allow other practitioners in lieu of approved providers within the waiver. *[Indicate the providers and their qualifications]*

See K-2.d.(i) above

- d. Modify service providers for home-delivered meals to allow for additional providers, including non-traditional providers.

5. Processes

- a. Allow an extension for reassessments and reevaluations for up to one year past the due date.
- b. Allow the option to conduct evaluations, assessments, and person-centered service planning meetings virtually/remotely in lieu of face-to-face meetings.
- c. Adjust prior approval/authorization elements approved in waiver.
- d. Adjust assessment requirements
- e. Add an electronic method of signing off on required documents such as the person-centered service plan.

Contact Person(s)

A. The Medicaid agency representative with whom CMS should communicate regarding the request:

First Name: Stacy
Last Name: Grim
Title: Demonstration Operations Manager
Agency: Division of Medical Assistance and Health Services
Address 1: 7 Quakerbridge Plaza
City: Hamilton Township
State: NJ
Zip Code: 08619
Telephone: (609) 588-2600
E-mail: Stacy.Grim@dhs.state.nj.us
Fax Number:

B. If applicable, the State operating agency representative with whom CMS should communicate regarding the waiver is:

First Name:
Last Name:
Title:
Agency:
Address 1:
Address 2:
City:
State:
Zip Code:
Telephone:
E-mail:
Fax Number:

8. Authorizing Signature

Date:

State Medicaid Director or Designee

First Name: Jennifer
Last Name Langer Jacobs
Title: Assistant Commissioner
Agency: Division of Medical Assistance and Health Services
Address 1: 7 Quakerbridge Plaza
Address 2:
City Hamilton
State NJ
Zip Code 08619
Telephone: (609) 588-2600
E-mail Jennifer.Jacobs@dhs.state.nj.us
Fax Number

Section A---Services to be Added/Modified During an Emergency

Complete for each service added during a time of emergency. For services in the approved waiver that the state is temporarily modifying, enter the entire service definition and highlight the change. State laws, regulations and policies referenced in the specification should be readily available to CMS upon request through the Medicaid agency or the operating agency (if applicable).

Service Specification				
Service Title:	Home Delivered Meals			
<i>Complete this part for a renewal application or a new waiver that replaces an existing waiver. Select one:</i>				
Service Definition (Scope):				
Nutritionally balanced meals delivered to the participant's home when this meal provision is more cost effective than having a personal care provider prepare the meal. These meals do not constitute a full nutritional regimen, but each meal must provide at least 1/3 of the current Dietary Reference Intakes (DRIs) established by the Food & Nutrition Board of the National Academy of Sciences, and National Research Council.				
Specify applicable (if any) limits on the amount, frequency, or duration of this service:				
Allow up to two home delivered meals per a day (currently one meal is permitted)				
Provider Specifications				
Provider Category(s) <i>(check one or both):</i>	<input type="checkbox"/>	Individual. List types:	<input checked="" type="checkbox"/>	Agency. List the types of agencies:
			Area Agency on Aging (AAA) Title III Nutrition Program (Existing)	
			Provider of Meal Service, who meets the criteria set forth in New Jersey Standards for the Nutrition Program for Older Americans, PM 2011-33, I-164, dated January 3, 2012. (Existing)	
		Adult Day Health Service Provider (During public health emergency only)		
Specify whether the service may be provided by <i>(check each that applies):</i>	<input type="checkbox"/>	Legally Responsible Person	<input type="checkbox"/>	Relative/Legal Guardian
Provider Qualifications <i>(provide the following information for each type of provider):</i> For AAA Title III Programs and Provider, and providers who meet the criteria set forth in the New Jersey Standards, unchanged from qualifications specified in New Jersey's approved 1115 demonstration. For Adult Day Health Service Providers, identical to qualifications specified in New Jersey's state plan.				
Provider Type:	License <i>(specify)</i>	Certificate <i>(specify)</i>	Other Standard <i>(specify)</i>	
Verification of Provider Qualifications				
Provider Type:	Entity Responsible for Verification:		Frequency of Verification	

Service Specification				
Service Title:	Home Delivered Meals			
<i>Complete this part for a renewal application or a new waiver that replaces an existing waiver. Select one:</i>				
Service Delivery Method				
Service Delivery Method <i>(check each that applies):</i>	<input type="checkbox"/>	Participant-directed as specified in Appendix E	<input type="checkbox"/>	Provider managed

ⁱ Numerous changes that the state may want to make may necessitate authority outside of the scope of section 1915(c) authority. States interested in changes to administrative claiming or changes that require section 1115 or section 1135 authority should engage CMS in a discussion as soon as possible. Some examples may include: (a) changes to administrative activities, such as the establishment of a hotline; or (b) suspension of general Medicaid rules that are not addressed under section 1915(c) such as payment rules or eligibility rules or suspension of provisions of section 1902(a) to which 1915(c) is typically bound.

Attachment N
New Jersey FamilyCare Comprehensive Demonstration
COVID-19 Emergency Preparedness and Response Addendum 2

Attachment N
 COVID-19 Emergency Preparedness and Response
 Addendum 2

APPENDIX K: Emergency Preparedness and Response and COVID-19 Addendum

Background:

This standalone appendix may be utilized by the state during emergency situations to request amendments to its approved waiver, to multiple approved waivers in the state, and/or to all approved waivers in the state. It includes actions that states can take under the existing Section 1915(c) home and community-based waiver authority in order to respond to an emergency. Other activities may require the use of various other authorities such as the Section 1115 demonstrations or the Section 1135 authorities.¹ This appendix may be applied retroactively as needed by the state. Public notice requirements normally applicable under 1915(c) do not apply to information contained in this Appendix.

Appendix K-1: General Information

General Information:

A. State: New Jersey

B. Waiver Title(s): NJ FamilyCare (NJFC) Comprehensive Demonstration

C. Control Number(s):
11-W-00279/2

D. Type of Emergency (The state may check more than one box):

<input checked="" type="checkbox"/>	Pandemic or Epidemic
<input type="checkbox"/>	Natural Disaster
<input type="checkbox"/>	National Security Emergency
<input type="checkbox"/>	Environmental
<input type="checkbox"/>	Other (specify):

D. **Brief Description of Emergency.** *In no more than one paragraph each*, briefly describe the: 1) nature of emergency; 2) number of individuals affected and the state’s mechanism to identify individuals at risk; 3) roles of state, local and other entities involved in approved waiver operations; and 4) expected changes needed to service delivery methods, if applicable. The state should provide this information for each emergency checked if those emergencies affect different geographic areas and require different changes to the waiver.

COVID-19 Pandemic. Note that this Appendix K submission is intended to be in addition to the previous Appendix K submissions that CMS approved on May 15, 2020 and September 25, 2020. It does not replace or invalidate previously approved Appendix K's.

F. Proposed Effective Date: Start Date: July 20, 2020 **Anticipated End Date:** 6 months after the end of the PHE.

G. Description of Transition Plan.

All activities will take place in response to the impact of COVID-19 as efficiently and effectively as possible based upon the complexity of the change.

H. Geographic Areas Affected:

These actions will apply across the waiver to all individuals impacted by the COVID-19 virus

I. Description of State Disaster Plan (if available) Reference to external documents is acceptable:

N/A

Appendix K-2: Temporary or Emergency-Specific Amendment to Approved Waiver

Temporary or Emergency-Specific Amendment to Approved Waiver:

These are changes that, while directly related to the state's response to an emergency situation, require amendment to the approved waiver document. These changes are time limited and tied specifically to individuals impacted by the emergency. Permanent or long-ranging changes will need to be incorporated into the main appendices of the waiver, via an amendment request in the waiver management system (WMS) upon advice from CMS.

a. ___ Access and Eligibility:

i. ___ Temporarily increase the cost limits for entry into the waiver.

[Provide explanation of changes and specify the temporary cost limit.]

ii. ___ Temporarily modify additional targeting criteria.

[Explanation of changes]

[Redacted]

b. ___ Services

i. ___ Temporarily modify service scope or coverage.

[Complete Section A- Services to be Added/Modified During an Emergency.]

ii. ___ Temporarily exceed service limitations (including limits on sets of services as described in Appendix C-4) or requirements for amount, duration, and prior authorization to address health and welfare issues presented by the emergency.

[Explanation of changes]

[Redacted]

iii. ___ Temporarily add services to the waiver to address the emergency situation (for example, emergency counseling; heightened case management to address emergency needs; emergency medical supplies and equipment; individually directed goods and services; ancillary services to establish temporary residences for dislocated waiver enrollees; necessary technology; emergency evacuation transportation outside of the scope of non-emergency transportation or transportation already provided through the waiver).

[Complete Section A-Services to be Added/Modified During an Emergency]

iv. ___ Temporarily expand setting(s) where services may be provided (e.g. hotels, shelters, schools, churches). Note for respite services only, the state should indicate any facility-based settings and indicate whether room and board is included:

[Explanation of modification, and advisement if room and board is included in the respite rate]:

[Redacted]

v. ___ Temporarily provide services in out of state settings (if not already permitted in the state's approved waiver). [Explanation of changes]

[Redacted]

c. ___ Temporarily permit payment for services rendered by family caregivers or legally responsible individuals if not already permitted under the waiver. Indicate the services to which this will apply and the safeguards to ensure that individuals receive necessary services as authorized in the plan of care, and the procedures that are used to ensure that payments are made for services rendered.

[Redacted]

d. ___ Temporarily modify provider qualifications (for example, expand provider pool, temporarily modify or suspend licensure and certification requirements).

i. ___ Temporarily modify provider qualifications.

[Provide explanation of changes, list each service affected, list the provider type, and the changes in provider qualifications.]

ii. ___ Temporarily modify provider types.

[Provide explanation of changes, list each service affected, and the changes in the provider type for each service].

iii. ___ Temporarily modify licensure or other requirements for settings where waiver services are furnished.

[Provide explanation of changes, description of facilities to be utilized and list each service provided in each facility utilized.]

e. ___ Temporarily modify processes for level of care evaluations or re-evaluations (within regulatory requirements). [Describe]

f. X Temporarily increase payment rates.

[Provide an explanation for the increase. List the provider types, rates by service, and specify whether this change is based on a rate development method that is different from the current approved waiver (and if different, specify and explain the rate development method). If the rate varies by provider, list the rate by service and by provider.]

Following the end of retainer payments permitted under a previous Appendix K (approved September 25, 2020), the New Jersey Division of Developmental Disabilities (DDD) will retroactively increase rates for the following five services provided to enrollees in the Supports and Community Care Programs that had previously been covered by retainer payments: Day Habilitation, Community Inclusion, Career Planning, Pre-Vocational training (group), and Supported Employment (group). The rate increase will be permitted for both virtual services as well as in-person service delivery.

Service	Current Rate (Pre-PHE)	New Rate (Enhanced)
Career Planning	14.25	21.37
Community Inclusion Tier A	2.63	3.94
Community Inclusion Tier B	3.35	5.02
Community Inclusion Tier C	4.14	6.21
Community Inclusion Tier D	6.14	9.21
Community Inclusion Tier E	8.15	12.22
Community Inclusion Tier F	12.22	18.33
Prevocational Training - Group - Tier A	2.97	4.45
Prevocational Training - Group - Tier B	3.78	5.67
Prevocational Training - Group - Tier C	4.67	7.00
Prevocational Training - Group - Tier D	6.93	10.39
Prevocational Training - Group - Tier E	9.19	13.78
Prevocational Training - Individual	13.79	20.68
Day Habilitation - Tier A	2.63	3.94
Day Habilitation - Tier A/Acuity Differentiated	3.75	5.62
Day Habilitation - Tier B	3.35	5.02
Day Habilitation - Tier B /Acuity Differentiated	4.78	7.17
Day Habilitation - Tier C	4.14	6.21
Day Habilitation - Tier C/Acuity Differentiated	5.92	8.88
Day Habilitation - Tier D	6.14	9.21
Day Habilitation - Tier D/Acuity Differentiated	8.77	13.15
Day Habilitation - Tier E	8.15	12.22
Day Habilitation - Tier E/Acuity Differentiated	11.64	17.46
Day Habilitation - Tier F	12.22	18.33
Day Habilitation - Tier F/Acuity Differentiated	17.46	26.19
Supported Employment - Small Group - Tier A - Group	3.08	4.62
Supported Employment - Small Group - Tier B - Group	3.92	5.88
Supported Employment - Small Group - Tier C - Group	4.85	7.27

Supported Employment - Small Group - Tier D - Group	7.20	10.80
Supported Employment - Small Group - Tier E - Group	9.55	14.32
Supported Employment - Individual	14.32	21.48

In 2020, NJ DDD closed facility based congregate day facilities in March 2020 and they have remained closed during the public health emergency with the exception of a short re-opening in the fall of 2020 and the most recent reopening in the Spring of 2021. Providers have been providing a variety of virtual programming, but have experienced difficulty in maintaining the same number of hours of service delivery. This reduction of billing units is attributed to individuals finding it difficult to remain engaged in the virtual activities. Providers and families have indicated that without staff being present, maintaining beneficiary engagement has been challenging. The purpose of the rate increase is to ensure that fixed costs are covered by the reduced service utilization during the public health emergency and with the expectation that providers will continue to work in partnership with DDD to make more accessible non-center-based and telemodalities available. In addition to the rate increase providers will be encouraged to vary the remote virtual service times in an effort to address the attention span issues. For instance, virtual programming may occur during non-traditional day hours. In addition to virtual services, providers will be encouraged to continue to provide in-home face-to-face service delivery.

For any individual provider, if total claims submitted for the five services identified result in total revenues in excess of 75% pre-PHE monthly revenues, the excess will be subject to recoupment. The rate increase will sunset with the expiration of this Appendix K and NJ DDD will provide additional guidance to provider agencies regarding the operation of this flexibility.

g. ___ Temporarily modify person-centered service plan development process and individual(s) responsible for person-centered service plan development, including qualifications.

[Describe any modifications including qualifications of individuals responsible for service plan development, and address Participant Safeguards. Also include strategies to ensure that services are received as authorized.]

h. ___ Temporarily modify incident reporting requirements, medication management or other participant safeguards to ensure individual health and welfare, and to account for emergency circumstances. [Explanation of changes]

i. ___ Temporarily allow for payment for services for the purpose of supporting waiver participants in an acute care hospital or short-term institutional stay when necessary supports

(including communication and intensive personal care) are not available in that setting, or when the individual requires those services for communication and behavioral stabilization, and such services are not covered in such settings.

[Specify the services.]

j. ___ Temporarily include retainer payments to address emergency related issues.

[Describe the circumstances under which such payments are authorized and applicable limits on their duration. Retainer payments are available for habilitation and personal care only.]

k. ___ Temporarily institute or expand opportunities for self-direction.

[Provide an overview and any expansion of self-direction opportunities including a list of services that may be self-directed and an overview of participant safeguards.]

l. ___ Increase Factor C.

[Explain the reason for the increase and list the current approved Factor C as well as the proposed revised Factor C]

m. ___ Other Changes Necessary [For example, any changes to billing processes, use of contracted entities or any other changes needed by the State to address imminent needs of individuals in the waiver program]. [Explanation of changes]

Appendix K Addendum: COVID-19 Pandemic Response

1. HCBS Regulations

- a. Not comply with the HCBS settings requirement at 42 CFR 441.301(c)(4)(vi)(D) that individuals are able to have visitors of their choosing at any time, for settings added after March 17, 2014, to minimize the spread of infection during the COVID-19 pandemic.

2. Services

- a. Add an electronic method of service delivery (e.g., telephonic) allowing services to continue to be provided remotely in the home setting for:
 - i. Case management
 - ii. Personal care services that only require verbal cueing
 - iii. In-home habilitation
 - iv. Monthly monitoring (i.e., in order to meet the reasonable indication of need for services requirement in 1915(c) waivers).
 - v. Other *[Describe]*:

- b. Add home-delivered meals
- c. Add medical supplies, equipment and appliances (over and above that which is in the state plan)
- d. Add Assistive Technology

3. Conflict of Interest: The state is responding to the COVID-19 pandemic personnel crisis by authorizing case management entities to provide direct services. Therefore, the case management entity qualifies under 42 CFR 441.301(c)(1)(vi) as the only willing and qualified entity.

- a. Current safeguards authorized in the approved waiver will apply to these entities.
- b. Additional safeguards listed below will apply to these entities.

4. Provider Qualifications

- a. Allow spouses and parents of minor children to provide personal care services
- b. Allow a family member to be paid to render services to an individual.
- c. Allow other practitioners in lieu of approved providers within the waiver. *[Indicate the providers and their qualifications]*

- d. Modify service providers for home-delivered meals to allow for additional providers, including non-traditional providers.

5. Processes

- a. Allow an extension for reassessments and reevaluations for up to one year past the due date.
- b. Allow the option to conduct evaluations, assessments, and person-centered service planning meetings virtually/remotely in lieu of face-to-face meetings.

- c. Adjust prior approval/authorization elements approved in waiver.
- d. Adjust assessment requirements
- e. Add an electronic method of signing off on required documents such as the person-centered service plan.

Contact Person(s)

A. The Medicaid agency representative with whom CMS should communicate regarding the request:

First Name: Stacy
Last Name: Grim
Title: Demonstration Operations Manager
Agency: Division of Medical Assistance and Health Services
Address 1: 7 Quakerbridge Plaza
Address 2: Click or tap here to enter text.
City: Hamilton Township
State: NJ
Zip Code: 08619
Telephone: 609-588-2600
E-mail: Stacy.Grim@dhs.state.nj.us
Fax Number: Click or tap here to enter text.

B. If applicable, the State operating agency representative with whom CMS should communicate regarding the waiver is:

First Name: Click or tap here to enter text.
Last Name: Click or tap here to enter text.
Title: Click or tap here to enter text.
Agency: Click or tap here to enter text.
Address 1: Click or tap here to enter text.
Address 2: Click or tap here to enter text.
City: Click or tap here to enter text.
State: Click or tap here to enter text.
Zip Code: Click or tap here to enter text.
Telephone: Click or tap here to enter text.
E-mail: Click or tap here to enter text.
Fax Number: Click or tap here to enter text.

8. Authorizing Signature

Date: 7/6/21


State Medicaid Director or Designee

First Name: Jennifer
Last Name Langer Jacobs
Title: Assistant Commissioner
Agency: Division of Medical Assistance and Health Services
Address 1: 7 Quakerbridge Plaza
Address 2: Click or tap here to enter text.
City Hamilton
State NJ
Zip Code 08619
Telephone: 609-588-2600
E-mail Jennifer.Jacobs@dhs.state.nj.us
Fax Number Click or tap here to enter text.

Section A---Services to be Added/Modified During an Emergency

Complete for each service added during a time of emergency. For services in the approved waiver that the state is temporarily modifying, enter the entire service definition and highlight the change. State laws, regulations and policies referenced in the specification should be readily available to CMS upon request through the Medicaid agency or the operating agency (if applicable).

Service Specification				
Service Title:				
<i>Complete this part for a renewal application or a new waiver that replaces an existing waiver. Select one:</i>				
Service Definition (Scope):				
Specify applicable (if any) limits on the amount, frequency, or duration of this service:				
Provider Specifications				
Provider Category(s) <i>(check one or both):</i>	<input type="checkbox"/>	Individual. List types:	<input type="checkbox"/>	Agency. List the types of agencies:
Specify whether the service may be provided by <i>(check each that applies):</i>	<input type="checkbox"/>	Legally Responsible Person	<input type="checkbox"/>	Relative/Legal Guardian
Provider Qualifications <i>(provide the following information for each type of provider):</i>				
Provider Type:	License <i>(specify)</i>	Certificate <i>(specify)</i>	Other Standard <i>(specify)</i>	
Verification of Provider Qualifications				
Provider Type:	Entity Responsible for Verification:		Frequency of Verification	
Service Delivery Method				
Service Delivery Method <i>(check each that applies):</i>	<input type="checkbox"/>	Participant-directed as specified in Appendix E	<input type="checkbox"/>	Provider managed



ⁱ Numerous changes that the state may want to make may necessitate authority outside of the scope of section 1915(c) authority. States interested in changes to administrative claiming or changes that require section 1115 or section 1135 authority should engage CMS in a discussion as soon as possible. Some examples may include: (a) changes to administrative activities, such as the establishment of a hotline; or (b) suspension of general Medicaid rules that are not addressed under section 1915(c) such as payment rules or eligibility rules or suspension of provisions of section 1902(a) to which 1915(c) is typically bound.

APPENDIX K: Emergency Preparedness and Response and COVID-19 Addendum

Background:

This standalone appendix may be utilized by the state during emergency situations to request amendments to its approved waiver, to multiple approved waivers in the state, and/or to all approved waivers in the state. It includes actions that states can take under the existing Section 1915(c) home and community-based waiver authority in order to respond to an emergency. Other activities may require the use of various other authorities such as the Section 1115 demonstrations or the Section 1135 authorities.¹ This appendix may be applied retroactively as needed by the state. Public notice requirements normally applicable under 1915(c) do not apply to information contained in this Appendix.

Appendix K-1: General Information

General Information:

- A. State: New Jersey
- B. Waiver Title(s): New Jersey Family Care (NJFC) Comprehensive Demonstration
- C. Control Number(s): 11-W-00279/2

D. Type of Emergency (The state may check more than one box):

<input checked="" type="checkbox"/>	Pandemic or Epidemic
<input type="checkbox"/>	Natural Disaster
<input type="checkbox"/>	National Security Emergency
<input type="checkbox"/>	Environmental
<input type="checkbox"/>	Other (specify):

E. Brief Description of Emergency. *In no more than one paragraph each*, briefly describe the: 1) nature of emergency; 2) number of individuals affected and the state’s mechanism to identify individuals at risk; 3) roles of state, local and other entities involved in approved waiver operations; and 4) expected changes needed to service delivery methods, if applicable. The state should provide this information for each emergency checked if those emergencies affect different geographic areas and require different changes to the waiver.

COVID-19 pandemic. Note this Appendix K submission is intended to extend certain provisions beyond the June 30, 2022 end date under the originally approved Appendix K which was initially approved on May 15, 2020 and subsequently extended on May 7, 2021. This amendment will apply waiver-wide for each waiver included in this Appendix, to all individuals impacted by the virus or the response to the virus (e.g. closure of day programs, etc.)

F. **Proposed Effective Date: Start Date:** July 1, 2022 **Anticipated End Date:** 6 months after the end of the PHE

G. **Description of Transition Plan.**

All activities will take place in response to the impact of COVID-19 as efficiently and effectively as possible based upon the complexity of the change.

H. **Geographic Areas Affected:**

These actions will apply across the waiver to all individuals impacted by the COVID-19 virus

I. **Description of State Disaster Plan (if available)** *Reference to external documents is acceptable:*

N/A

Appendix K-2: Temporary or Emergency-Specific Amendment to Approved Waiver

Temporary or Emergency-Specific Amendment to Approved Waiver:

These are changes that, while directly related to the state's response to an emergency situation, require amendment to the approved waiver document. These changes are time limited and tied specifically to individuals impacted by the emergency. Permanent or long-ranging changes will need to be incorporated into the main appendices of the waiver, via an amendment request in the waiver management system (WMS) upon advice from CMS.

a. **Access and Eligibility:**

i. **Temporarily increase the cost limits for entry into the waiver.**

[Provide explanation of changes and specify the temporary cost limit.]

ii. ___ Temporarily modify additional targeting criteria.

[Explanation of changes]

b. ___ Services

i. ___ Temporarily modify service scope or coverage.

[Complete Section A- Services to be Added/Modified During an Emergency.]

ii. ___ Temporarily exceed service limitations (including limits on sets of services as described in Appendix C-4) or requirements for amount, duration, and prior authorization to address health and welfare issues presented by the emergency.

[Explanation of changes]

iii. ___ Temporarily add services to the waiver to address the emergency situation (for example, emergency counseling; heightened case management to address emergency needs; emergency medical supplies and equipment; individually directed goods and services; ancillary services to establish temporary residences for dislocated waiver enrollees; necessary technology; emergency evacuation transportation outside of the scope of non-emergency transportation or transportation already provided through the waiver).

[Complete Section A-Services to be Added/Modified During an Emergency]

iv. X Temporarily expand setting(s) where services may be provided (e.g. hotels, shelters, schools, churches). Note for respite services only, the state should indicate any facility-based settings and indicate whether room and board is included:

[Explanation of modification, and advisement if room and board is included in the respite rate]:

Supports Program and Community Care Program:

To the extent necessary to maintain access to care, allow reimbursement to any Medicaid provider/facility for waiver services rendered off-site in an unlicensed facility during an emergency evacuation or closure. In addition, and to the extent necessary to maintain access to care, allow reimbursement for any Medicaid provider/facility for waiver services rendered offsite, in order to comply with social distancing. Examples might include (but are not limited to) an enrollee who is diagnosed with COVID-19 and is placed in a temporary quarantine center where the HCBS services are not normally provided, provision of services by adult day program providers in the home for members who have chosen to shelter in place, provision of services in a DDD Day Program site that has been temporarily repurposed as a residential facility, and provision of services to beneficiaries with developmental disabilities in a provider-managed home that is under development but not yet licensed, if necessary to maintain access to services. In the case of a not-yet-licensed provider managed home, such a home must be owned by an approved DDD provider, have a certificate of occupancy, have furnishings, and have been approved by both DDD and the Office of Licensing for temporary occupancy. In the case of a DDD Day Program site that has been temporarily repurposed as a residential facility, the temporary site must be approved by the Office of Licensing, have sufficient bathroom facilities (showers/toilets), have a kitchen or identify how meals and snacks will be accessed, how privacy will be maintained, what types of entertainment will be available, and identify what types of beds will be available.

v. ___ Temporarily provide services in out of state settings (if not already permitted in the state's approved waiver). [Explanation of changes]

c. X Temporarily permit payment for services rendered by family caregivers or legally responsible individuals if not already permitted under the waiver. Indicate the services to which this will apply and the safeguards to ensure that individuals receive necessary services as authorized in the plan of care, and the procedures that are used to ensure that payments are made for services rendered.

Supports and Community Care Program:

Temporarily expand family members eligible to render Community Based and Individual Supports to include parents, spouses, and guardians to adjust for workforce shortages.

d. ___ Temporarily modify provider qualifications (for example, expand provider pool, temporarily modify or suspend licensure and certification requirements).

i. ___ Temporarily modify provider qualifications.

[Provide explanation of changes, list each service affected, list the provider type, and the changes in provider qualifications.]

ii. X Temporarily modify provider types.

[Provide explanation of changes, list each service affected, and the changes in the provider type for each service].

Supports and Community Care Program:

Allowing additional providers (potentially with alternative qualifications) to offer various community-based services. Examples include MDC staff delivering meals or performing PCA tasks or day services staff providing individual or community-based supports in provider managed or own home settings.

iii. ___ Temporarily modify licensure or other requirements for settings where waiver services are furnished.

[Provide explanation of changes, description of facilities to be utilized and list each service provided in each facility utilized.]

e. ___ Temporarily modify processes for level of care evaluations or re-evaluations (within regulatory requirements). [Describe]

f. ___ Temporarily increase payment rates.

[Provide an explanation for the increase. List the provider types, rates by service, and specify whether this change is based on a rate development method that is different from the current approved waiver (and if different, specify and explain the rate development method). If the rate varies by provider, list the rate by service and by provider.]

g. ___ Temporarily modify person-centered service plan development process and individual(s) responsible for person-centered service plan development, including qualifications.

[Describe any modifications including qualifications of individuals responsible for service plan development, and address Participant Safeguards. Also include strategies to ensure that services are received as authorized.]

h. ___ Temporarily modify incident reporting requirements, medication management or other participant safeguards to ensure individual health and welfare, and to account for emergency circumstances. [Explanation of changes]

i. X Temporarily allow for payment for services for the purpose of supporting waiver participants in an acute care hospital or short-term institutional stay when necessary supports (including communication and intensive personal care) are not available in that setting, or when the individual requires those services for communication and behavioral stabilization, and such services are not covered in such settings.

[Specify the services.]

Supports and Community Care Program:

For members who are temporarily in a hospital or other institution due to COVID-19, we are requesting HCBS to be allowed to continue where necessary and to the extent such services are not directly provided by the institution. An example might be a member who is temporarily placed in a quarantine facility, but may require ongoing supportive services. Services provided may include Behavioral Health Services, Mental Health Services, Cognitive Therapies, Occupational Therapy, Physical Therapy, Speech/Language Therapy, Community-Based Supports (Supports Program) and Individual Supports (Community Care Program), and Personal Care Assistant services. Payment will only be made for such services for up to 30 consecutive days.

j. Temporarily include retainer payments to address emergency related issues.

[Describe the circumstances under which such payments are authorized and applicable limits on their duration. Retainer payments are available for habilitation and personal care only.]

k. Temporarily institute or expand opportunities for self-direction.

[Provide an overview and any expansion of self-direction opportunities including a list of services that may be self-directed and an overview of participant safeguards.]

l. Increase Factor C.

[Explain the reason for the increase and list the current approved Factor C as well as the proposed revised Factor C]

m. Other Changes Necessary [For example, any changes to billing processes, use of contracted entities or any other changes needed by the State to address imminent needs of individuals in the waiver program]. [Explanation of changes]

Appendix K Addendum: COVID-19 Pandemic Response

1. HCBS Regulations

- a. Not comply with the HCBS settings requirement at 42 CFR 441.301(c)(4)(vi)(D) that individuals are able to have visitors of their choosing at any time, for settings added after March 17, 2014, to minimize the spread of infection during the COVID-19 pandemic.

2. Services

- a. Add an electronic method of service delivery (e.g., telephonic) allowing services to continue to be provided remotely in the home setting for:
 - i. Case management
 - ii. Personal care services that only require verbal cueing
 - iii. In-home habilitation
 - iv. Monthly monitoring (i.e., in order to meet the reasonable indication of need for services requirement in 1915(c) waivers).
 - v. Other *[Describe]*:

Services including Cognitive Rehabilitative Therapy, Occupational Therapy, Physical Therapy, Speech/Language Therapy, Structured Day and Supported Day services, and Medical Day Center wellness calls to members who can no longer attend Medical Day.

Children's Support Services Program services including social and emotional learning, interpreter services, individual supports, intensive in community clinical/therapeutic services, and intensive in community behavioral services.

Supports and Community Care Program: Allow the state discretion to shift from face-to-face service delivery to telephonic or telehealth instruction for the following waiver services: assistive technology, behavioral supports, career planning, community inclusion services, community based supports, cognitive rehabilitation therapy, day habilitation, individual supports, interpreter services, natural supports training, occupational therapy, physical therapy, speech, language, hearing therapy, support coordination, supported employment, and supports brokerage.

- b. Add home-delivered meals
- c. Add medical supplies, equipment and appliances (over and above that which is in the state plan)
- d. Add Assistive Technology

3. Conflict of Interest: The state is responding to the COVID-19 pandemic personnel crisis by authorizing case management entities to provide direct services. Therefore, the case

management entity qualifies under 42 CFR 441.301(c)(1)(vi) as the only willing and qualified entity.

- a. Current safeguards authorized in the approved waiver will apply to these entities.
- b. Additional safeguards listed below will apply to these entities.

4. Provider Qualifications

- a. Allow spouses and parents of minor children to provide personal care services
- b. Allow a family member to be paid to render services to an individual.
- c. Allow other practitioners in lieu of approved providers within the waiver. *[Indicate the providers and their qualifications]*

- d. Modify service providers for home-delivered meals to allow for additional providers, including non-traditional providers.

5. Processes

- a. Allow an extension for reassessments and reevaluations for up to one year past the due date.
- b. Allow the option to conduct evaluations, assessments, and person-centered service planning meetings virtually/remotely in lieu of face-to-face meetings. **For Community Care Programs and Supports Program Only.**
- c. Adjust prior approval/authorization elements approved in waiver.
- d. Adjust assessment requirements
- e. Add an electronic method of signing off on required documents such as the person-centered service plan.

Contact Person(s)

- A. The Medicaid agency representative with whom CMS should communicate regarding the request:


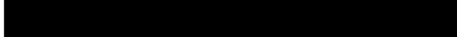
First Name: Jon
Last Name Tew
Title: Regulatory Officer
Agency: Division of Medical Assistance and Health Services
Address 1: 5 Quakerbridge Plaza

City Hamilton Township
State New Jersey
Zip Code 08619
Telephone: (609) 588-2952
E-mail Jonathan.Tew@dhs.nj.gov
Fax Number Click or tap here to enter text.

B. If applicable, the State operating agency representative with whom CMS should communicate regarding the waiver is:

First Name:
Last Name
Title:
Agency:
Address 1:
Address 2:
City
State
Zip Code
Telephone:
E-mail
Fax Number

8. Authorizing Signature



State Medicaid Director or Designee


Date:
9/9/22

First Name: Click or tap here to enter text.
Last Name Click or tap here to enter text.
Title: Click or tap here to enter text.
Agency: Click or tap here to enter text.
Address 1: Click or tap here to enter text.
Address 2: Click or tap here to enter text.
City Click or tap here to enter text.
State Click or tap here to enter text.
Zip Code Click or tap here to enter text.
Telephone: Click or tap here to enter text.
E-mail Click or tap here to enter text.
Fax Number Click or tap here to enter text.

Section A---Services to be Added/Modified During an Emergency

Complete for each service added during a time of emergency. For services in the approved waiver that the state is temporarily modifying, enter the entire service definition and highlight the change. State laws, regulations and policies referenced in the specification should be readily available to CMS upon request through the Medicaid agency or the operating agency (if applicable).

Service Specification			
Service Title:			
<i>Complete this part for a renewal application or a new waiver that replaces an existing waiver. Select one:</i>			
Service Definition (Scope):			
Specify applicable (if any) limits on the amount, frequency, or duration of this service:			
Provider Specifications			
Provider Category(s) <i>(check one or both):</i>	<input type="checkbox"/>	Individual. List types:	<input type="checkbox"/>
			Agency. List the types of agencies:
Specify whether the service may be provided by <i>(check each that applies):</i>	<input type="checkbox"/>	Legally Responsible Person	<input type="checkbox"/>
			Relative/Legal Guardian
Provider Qualifications <i>(provide the following information for each type of provider):</i>			
Provider Type:	License <i>(specify)</i>	Certificate <i>(specify)</i>	Other Standard <i>(specify)</i>
Verification of Provider Qualifications			
Provider Type:	Entity Responsible for Verification:	Frequency of Verification	
Service Delivery Method			
Service Delivery Method <i>(check each that applies):</i>	<input type="checkbox"/>	Participant-directed as specified in Appendix E	<input type="checkbox"/>
			Provider managed



ⁱ Numerous changes that the state may want to make may necessitate authority outside of the scope of section 1915(c) authority. States interested in changes to administrative claiming or changes that require section 1115 or section 1135 authority should engage CMS in a discussion as soon as possible. Some examples may include: (a) changes to administrative activities, such as the establishment of a hotline; or (b) suspension of general Medicaid rules that are not addressed under section 1915(c) such as payment rules or eligibility rules or suspension of provisions of section 1902(a) to which 1915(c) is typically bound.

Attachment O
New Jersey FamilyCare Comprehensive Demonstration
Proxy Claiming Methodology
Placeholder for Proxy Claiming Methodology

Attachment P
New Jersey FamilyCare Comprehensive Demonstration
Behavioral Health Promoting Interoperability Program (BH PIP) Protocol
Placeholder for BH PIP Protocol

Attachment Q
New Jersey FamilyCare Comprehensive Demonstration
Community Health Workers Pilot Protocol
Placeholder for Community Health Workers Pilot Protocol

Attachment R
New Jersey FamilyCare Comprehensive Demonstration
Provider Rate Increase Attestation Table
Placeholder for Provider Rate Increase Attestation Table

Attachment S
New Jersey FamilyCare Comprehensive Demonstration
Participant Direction by Representative Guardrails
Placeholder for Participant Direction by Representative Guardrails

Attachment T
New Jersey FamilyCare Comprehensive Demonstration
Continuous Eligibility Calculation Methodology Protocol

Placeholder for Continuous Eligibility Calculation Methodology Protocol

Attachment U

Time-limited Expenditure Authority and Associated Requirements for the COVID-19 Public Health Emergency (PHE) Demonstration Amendment

Attachment U
**Time-limited Expenditure Authority and Associated Requirements for the COVID-19
Public Health Emergency (PHE) Demonstration Amendment**
Expenditure Authority

Under the authority of section 1115(a)(2) of the Social Security Act (the Act), expenditures made by the state for the items identified below, which are not otherwise included as expenditures under section 1903 of the Act shall, for the period retroactively from March 1, 2020 and ending when all redeterminations for Medicaid and CHIP are conducted during the unwinding period.

1. **Continuous Coverage for Individuals Determined Ineligible for CHIP Due to a Change in Circumstances.** Expenditures to provide continued eligibility for CHIP enrollees who were determined to be ineligible for CHIP due to a change in circumstances and who are otherwise ineligible for Medicaid due to income above 147 percent of the federal poverty level (FPL) between March 1, 2020 and ending when all redeterminations for Medicaid and CHIP beneficiaries are conducted during the unwinding period, with the following exceptions for enrollees who:
 - a. Are deceased;
 - b. Voluntarily withdraw from benefits; or
 - c. Are no longer New Jersey residents.

Monitoring and Evaluation Requirements

2. **Evaluation Design.** The state must submit an Evaluation Design to CMS within 60 days of the demonstration amendment approval. CMS will provide technical assistance on developing the Evaluation Design. For this demonstration amendment, the state will test whether and how the approved authority facilitated the state's response to the COVID-19 PHE and helped promote the objectives of Medicaid. To that end, the evaluation will address thoughtful evaluation questions that support understanding the successes and challenges in implementing the expenditure authority. The state is required to post its Evaluation Design to the state's website within 30 days of CMS approval of the Evaluation Design, per 42 CFR 431.424(e).
3. **Final Report.** The state is required to submit a Final Report, which will consolidate monitoring and evaluation reporting requirements for these authorities. The state must submit the draft Final Report no later than one year after the expiration of the demonstration approval period. The Final Report should include a background description of the scope and objectives of the amendment, and in alignment with proposed evaluation questions and approaches in the approved Evaluation Design, an assessment of the implementation of the demonstration amendment, lessons learned thereof, and best practices for similar situations. The state will be required to track expenditures associated with this amendment, including but not limited to, administrative costs and program expenditures. The Final Report shall include an assessment of the linkage between those expenditures and the state's response to the PHE. The state should customize the content of the Final Report to align with the specific scope of the demonstration amendment. CMS will provide additional technical assistance on the structure and content of the Final Report.