

## **Table of Contents**

**State/Territory Name:**                      **NEW JERSEY**

**State Plan Amendment (SPA) #:**      **13-04**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) Summary Form (with 179-like data)
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
New York Regional Office  
26 Federal Plaza, Room 37-100  
New York, NY 10278



DIVISION OF MEDICAID AND CHILDREN'S HEALTH OPERATIONS

DMCHO: JM

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December 4, 2013

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

Dear Director Harr:

This is to notify you that New Jersey State Plan Amendment (SPA) #13-04 has been approved for adoption into the State Medicaid Plan with an effective date of April 1, 2013. The SPA was submitted to clarify the current physician payment methodology pursuant to CMS' request via the March 20, 2013 companion letter to CMS' approval of NJ State Plan Amendment 12-09 submitted to allow optometrists to participate in the NJ Medicaid Electronic Health Records Incentive Program.

In addition, CMS revised the 179 Form as indicated in the comments sent to the State on August 29, 2013 as agreed upon.

Enclosed are copies of SPA #13-04 and the CMS 179 form, as approved. If you have any questions or wish to discuss this SPA further, please contact Ricardo Holligan or John Montalto of this office. Ricardo Holligan may be reached at (212) 616-2424, and John Montalto's phone number is (212) 616-2326.

Sincerely,

/s/

Michael J. Melendez  
Associate Regional Administrator  
Division of Medicaid and Children's Health Operations

Enclosures: CMS 179 Form  
State Plan Pages

cc: RHolligan  
JGuhl  
RWeaver  
SJew  
JHounsell

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL**

1. TRANSMITTAL NUMBER:

2. STATE

**13-04 MA NJ**

**New Jersey**

**FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES**

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE  
SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR  
CENTERS FOR MEDICARE AND MEDICAID SERVICES  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE  
**April 1, 2013**

5. TYPE OF PLAN MATERIAL (Check One):

NEW STATE PLAN

AMENDMENT TO BE CONSIDERED AS NEW PLAN

AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:  
**1902(a)(13) of the Social Security Act**

7. FEDERAL BUDGET IMPACT  
a. FFY 2013: \$0  
b. FFY 2014: \$0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

**Attachment 4.19-B Page 4**  
*Attachment 4.19 B Page 10 (b) Please see remarks*

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION  
OR ATTACHMENT (If Applicable):  
**Same Attachment 4.19-B Page 4**

10. SUBJECT OF AMENDMENT:

**Reimbursement of Services-Physician Services**

11. GOVERNOR'S REVIEW (Check One):

GOVERNOR'S OFFICE REPORTED NO COMMENT

COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED:  
**Not required, pursuant to 7.4 of the Plan**

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME: **Jennifer Velez**

14. TITLE: **Commissioner**

15. DATE SUBMITTED: **6/4/13**

16. RETURN TO:

**Valerie Harr, Director  
Division of Medical Assistance and Health Services  
P.O. Box 712, #26  
Trenton, NJ 08625-0712**

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED:

18. DATE APPROVED:  
**December 04, 2013**

**PLAN APPROVED - ONE COPY ATTACHED**

19. EFFECTIVE DATE OF APPROVED MATERIAL:  
**April 01, 2013**

20. SIGNATURE OF REGIONAL OFFICIAL:  
*/s/*

21. TYPED NAME: **Michael Melendez**

22. TITLE: **Associate Regional Administrator  
Division of Medicaid and State Operations**

23. REMARKS:

**\*\*SPA NJ-13-04 is being submitted to clarify the current physician payment methodology pursuant to CMS' request via March 20, 2013 Companion letter to CMS' approval of NJ SPA 12-09 submitted to allow optometrists to participate in the NJ Medicaid Electronic Health Records Incentive Program.**

**OFFICIAL**

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
Reimbursement for Services

PHYSICIAN SERVICES  
(Includes Dentists, Osteopaths and Optometrists)

Reimbursement for covered services is on a fee-for-service basis. Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers of physician services. The fees in the state's fee schedule were set on August 1, 2012, and are effective for services provided on and after that date. The schedule is published on the Department's fiscal website at <https://www.njmmis.com/downloadDocuments/CPTHCPSCODES.pdf>

The term physician services includes services of the type which an optometrist is also legally authorized to perform and such services are reimbursed whether furnished by a physician or an optometrist under this plan.

Physicians who are HealthStart providers will be reimbursed on a fee-for-service basis utilizing HCPCS codes developed for HealthStart. Physicians practicing in hospital outpatient departments may bill fee-for-services if they are unbundled, i.e., allowed to bill independently for professional services.

Reimbursement for immunizations services will be based on the Wholesale Acquisition Cost (WAC) price of the NDC, less 1% plus \$2.50 for the physician's cost of administering the immunization.

Payment for Part B co-insurance and deductible shall be paid only up to the Title XIX maximum allowable (less any other third party payments).

TN No. 13-04-MA (NJ)

TN No.13-04-MA(NJ)  
Supersedes TN 12-09

Approval Date: DEC 04 2013  
Effective Date: APR 01 2013

**OFFICIAL**

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
STATE OF NEW JERSEY  
REIMBURSEMENT FOR PHARMACEUTICAL SERVICES

1.25 Maximum Allowable Cost – Physician-Administered Drugs.

Reimbursement of Level II HCPCS codes for practitioner-administered drugs shall be based on the Wholesale Acquisition Cost (WAC) price less 1% of a single dose of an injectable or inhalation drug or the physician's acquisition cost, whichever is less, when the drug is administered in a physician's office. The Title XIX maximum fee allowance for these drugs will be adjusted periodically by the program to accommodate changes in the market cost.

TN 13-04-MA NJ

13-04-MA NJ

Approval Date : **DEC 04 2013**

Supersedes: New

**New**

Effective Date: **APR 01 2013**