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State/Territory Name: **New Jersey**

State Plan Amendment (SPA) #: **15-0007**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved SPA Page

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, Maryland 21244-1850



Division of Medicaid and Children's Health Operations
Financial Management Group

FEB 04 2016

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

RE: State Plan Amendment (SPA) NJ 15-0007

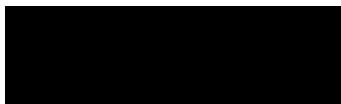
Dear Ms. Harr:

We have reviewed the proposed amendment to Attachment 4.19-D of your Medicaid State plan submitted under transmittal number (TN) 15-0007. Effective July 1, 2015, this amendment modifies record keeping requirements related to professional staff salaries in intermediate care facilities for individual with intellectual disabilities.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), and 1903(a) of the Social Security Act and the regulations at 42 CFR 447 Subpart C. This is to inform you that New Jersey 15-0007 is approved effective July 1, 2015. The CMS-179 and the approved plan page are enclosed.

If you have any questions, please call Betsy Pinho at 518-396-3810 x111.

Sincerely,



Kristin Fan
Director

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL	1. TRANSMITTAL NUMBER: 15-007- MA	2. STATE New Jersey
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES	4. PROPOSED EFFECTIVE DATE July 1, 2015	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		

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:
42 C.F.R. 447.250

7. FEDERAL BUDGET IMPACT:
a. FFY 2015 \$0
b. FFY 2016 \$0

8. PAGE NUMBER OF THE PLAN SECTION OR
ATTACHMENT:
Attachment 4.19-D Section 3.5 page 18

9. PAGE NUMBER OF THE SUPERSEDED PLAN
SECTION OR ATTACHMENT (If Applicable):
Same

10. SUBJECT OF AMENDMENT:
ICF/MR Time Recordkeeping Requirements

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:

[Redacted Signature]

13. TYPED NAME: Elizabeth Connolly

14. TITLE: Acting Commissioner,
Department of Human Services

15. DATE SUBMITTED: 9/16/15

16. RETURN TO:

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

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

18. DATE APPROVED: FEB 04 2016

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:
JUL 01 2015

20. SIGNATURE OF REGIONAL OFFICIAL:

[Redacted Signature]

21. TYPED NAME: Krista Fan

22. TITLE: Director, FMC

23. REMARKS:

(g) Support of Salaries and Wages

[Direct charges for professionals must be supported by either an adequate appointment and workload distribution system, accompanied by monthly reviews performed by an individual and responsible for change in workload distribution of each professional (i.e., an exception reporting system) or a monthly after-the-fact certification system which will require persons in supervisory position having firsthand knowledge of the services performed to report the distributions of effort (i.e., a positive reporting system). Such reports must account for the total salaried effort of the persons covered. Consequently, a system which provides for the reporting only of effort applicable to federally sponsored activities is not acceptable.]

Direct charges for salaries and wages of [nonprofessionals] all staff will be supported by the time and attendance and payroll distribution records.

Allowable indirect personal services costs will be supported by the institution's accounting system maintained in accordance with generally accepted institutional practices. Where a comprehensive accounting system does not exist, the institution should make periodic surveys no less frequently than annually to support the indirect personal services costs for inclusion in the overhead pool. Such supporting documentation must be retained for subsequent review by Government representatives.

6. Depreciation and Use Allowances

a. Institutions may be compensated for the use of buildings, capital improvements and usable equipment on hand through depreciation or use allowances. Depreciation is a charge to current operations which distributes the cost of a tangible capital asset, less estimated residual value, over the estimated useful life of the asset in a systematic and logical manner. It does not involve a process of valuation. Useful life has reference to the prospective period of economic usefulness in the particular institution's operations as distinguished from physical life. Use allowances are the means of allowing compensation when depreciation or other equivalent costs are not considered.

b. Depreciation or a use allowance on assets donated by third parties is allowable. However, any limitation on the amount of depreciation which would have applied to the donor as a result of restrictions contained in this Section shall also apply to the recipient organization.

TN No.: 15-007

Approval Date: FEB 04 2016

Supersedes TN No.: 89-1

Effective Date : JUL 01 2015