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State/Territory Name: New Jersey

State Plan Amendment (SPA) #: NJ 18-0005

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approval SPA Pages



Financial Management Group

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

RE: State Plan Amendment (SPA) 18-0005

November 9, 2018

Dear Ms. Davey:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State Plan submitted under transmittal number (TN) 18-0005. Effective July 1, 2018 this amendment provides reimbursement of graduate medical education cost attributable to individuals in managed care for State fiscal year 2019.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903(a) and 1923 of the Social Security Act and the implementing Federal regulations at 42 CFR Part 447. This letter is to inform you SPA 18-0005 is approved effective July 1, 2018. We are enclosing the CMS-179 and the approved plan pages.

If you have any questions, please contact Charlene Holzbaur at 609-882-4103 Ext. 104.

Sincerely,

Kristin Fan
Director

Enclosures

cc: M. Melendez
R. Holligan
R. Weaver
T. Brady
C. Holzbaur

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

FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES

1. TRANSMITTAL NUMBER:

2. STATE:

18-0005-MA

New Jersey

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
July 1, 2018

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:

Social Security Act Section 1902(a)(13)

7. FEDERAL BUDGET IMPACT

FFY 2018: \$ 35,425,000

FFY 2019: \$ 105,911,667

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.19-A Pages I-227(d) (e) (f)
Attachment 4.19-A Page I-227(L1)

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION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

Same
New

10. SUBJECT OF AMENDMENT:

SPY 2019 GME Distribution Methodology

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: Carole Johnson

14. TITLE: Commissioner

15. DATE SUBMITTED: 7/28/18

16. RETURN TO:

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

17. DATE RECEIVED:

FOR REGIONAL OFFICE USE ONLY

18. DATE APPROVED:

NOV 09 2018

19. EFFECTIVE DATE OF APPROVED MATERIAL

JUL 01 2018

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME: Kristin Fan

22. TITLE: Director, FMG

23. REMARKS:

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
State of New Jersey

Reimbursement for In-State Acute Care Inpatient Hospital Services Graduate Medical
Education (GME) and Indirect Medical Education (IME)

**12.4 Distribution of Graduate Medical Education (GME) Made on Behalf of
Individuals enrolled in New Jersey's Comprehensive Waiver (NJCW)
Demonstration.**

- (a) Effective for State fiscal year 2019, \$218,000,000 in GME payments (paid in 12 equal monthly payments) made on behalf of individuals enrolled in the NJCW Demonstration shall be distributed annually to all eligible acute care teaching hospitals according to the following table. An eligible acute care teaching hospital, beginning SFY 2019, will be defined as any acute care hospital with GME interns and residents Full Time Equivalencies (FTEs).

AtlantiCare Regional Medical Center	2,805,103.46
New Bridge Medical Center (Bergen Regional)	83,704.76
Capital Health Medical Center - Hopewell	89,393.67
Capital Health Regional Medical Center	1,232,792.55
CarePoint Health - Bayonne Medical Center	687,022.40
CarePoint Health - Christ Hospital	1,081,702.75
CarePoint Health - Hoboken University Medical Center	2,171,092.48
CentraState Medical Center	319,146.88
Cooper Hospital/University MC	28,027,906.01
Deborah Heart and Lung Center	1,084,291.38
Englewood Hospital and Medical Center	1,069,279.93
Hackensack UMC - Mountainside	1,298,303.11
Hackensack University Medical Center	10,704,249.13
Hunterdon Medical Center	345,542.17
Inspira Medical Center - Vineland	9,618,511.41
Inspira Medical Center - Woodbury	478,924.71
Jersey City Medical Center	8,120,103.70
Jersey Shore University Medical Center	5,629,953.29
JFK Medical Center	1,088,693.86
Jefferson Health System (Kennedy)	5,797,107.32
Lourdes Medical Center of Burlington Cty.	186,765.82
Hudson Regional Hospital (Meadowlands)	129,058.05
Monmouth Medical Center	8,348,938.59
Morristown Medical Center	5,059,067.74
Newark Beth Israel Medical Center	22,957,841.91
Our Lady of Lourdes Medical Center	2,733,929.52
Overlook Medical Center	2,161,328.14
Hackensack UMC - Palisades	3,551,124.00

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Raritan Bay Medical Center	1,251,522.77
Robert Wood Johnson University Hospital	15,158,691.60
RWJ University Hospital - Somerset	314,607.24
St. Barnabas Medical Center	7,895,032.67
St. Francis Medical Center	1,050,427.61
St. Joseph's Medical Center	17,320,005.14
St. Luke's Warren Hospital	291,694.58
St. Mary's General Hospital	122,378.70
St. Michael's Medical Center	4,763,563.94
St. Peter's University Hospital	6,008,365.68
Trinitas Regional Medical Center	3,301,674.49
University Hospital	31,653,803.06
University MC of Princeton - Plainsboro	481,262.04
Virtua-Mem. Hospital of Burlington County	542,759.83
Virtua - West Jersey Health	982,431.81
TOTAL	218,000,000.00

- (b) Each hospital receiving a GME allocation shall, on or before May 31, 2019, provide a report to the Commissioner of Health indicating the total number of physicians who completed their training during the preceding calendar year, and the number of those physicians who plan to practice medicine within the State of New Jersey.
- (c) Notwithstanding the provisions of any law or regulation to the contrary, the amount hereinabove appropriated for Graduate Medical Education (GME) is subject to the following condition: participating hospitals shall provide to residents and fellows participating in the GME program instruction concerning prevention of opioid addiction as well as diagnosis, assessment, and treatment strategies; provided, however, that such instruction may also be provided to other students and providers including, but not limited to, physicians, nurses, pharmacists, and social workers, working within the hospital or in the outpatient setting. To satisfy this condition, participating hospitals may develop an internal training program, enter into a partnership with a school or university, or provide financial support for residents and fellows to participate in independent educational programs or conferences that provide continuing medical education credits that are specifically focused in the subject area of addiction. To document compliance, participating hospitals shall complete a report to the Department of Health no later than May 31, 2019.

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- (d) Distribution of Graduate Medical Education (GME) in the Event of a Hospital Closure or Hospital Acquisition During or After State Fiscal Year (SFY) 2019: In the event of a hospital closure or hospital acquisition, GME allocations that would have been provided to the closed hospital are to be redistributed to the acquiring hospital. If the acquiring hospital is not receiving GME FTEs from the closed or acquired hospital, the GME amount will be redistributed to all eligible hospitals by applying the current SFY GME payment formula excluding the closed or acquired hospital from the payment formula.
- (e) Appeal process for distribution of Graduate Medical Education (GME)
- (a) In the event that a hospital elects to appeal the subsidy allocation, the following procedure is to be adhered to:
1. A hospital which suspects that the subsidy payment schedule reflects a calculation error shall notify the New Jersey Department of Health Executive Director of the Office of Healthcare Financing in writing of the suspected calculation error within 15 working days of issuance of the schedule. A calculation error is limited to a mathematical mistake made by the Department or data not matching the actual source documents used to calculate the GME payment. If upon review it is determined by the Department of Health that the appeal finds an error was made and the error is confirmed and would constitute at least a five percent change in the hospital's allocation amount, a revised industry-wide subsidy payment schedule will be issued.
 2. A notice by a hospital of an intent to appeal the amount of its allocation indicated on the subsidy payment schedule, for reasons other than a calculation error, shall be submitted in writing to the New Jersey Department of Health Executive Director of the Office of Healthcare Financing within 15 working days of issuance of the particular subsidy payment schedule. Within 30 working days of issuance of the subsidy payment schedule, the hospital shall submit to the Executive Director two copies of its appeal, describing in

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1. detail the basis of its appeal of the aforementioned payment schedule. Appeals shall not include new submissions pertaining to claims and/or cost report data that was not previously submitted in accordance with time frames and procedures established for submission of the data utilized in the subsidy allocation calculation.
 - i. The appeal document shall list all factual and legal issues, including citation to the applicable provisions of the Department's rules, and shall include written documentation supporting each appeal issue.

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Supersedes: NEW

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