TABLE OF CONTENTS

State/Territory Name: New Jersey / Region II

State Plan Amendment (SPA) #: NJ-18-0011

- 1) Approval Letter
- 2) HCFA 179
- 3) Approved 4.19B Page, Page 2a

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 & CHILDREN'S HEALTH OPERATIONS DMCHO: ZYM: SPA-NJ-18-0011-Approval Letter

January 8, 2019

Meghan Davey, Director Medical Assistance and Health Services Department of Human Services CN 12 Quakerbridge Plaza Trenton, New Jersey 08625-0712

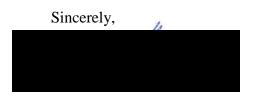
RE: Title XIX State Plan Amendment (SPA), Transmittal # NJ 18-0011

Dear Ms. Davey:

We have reviewed the proposed New Jersey State Plan Amendment 18-0011, which was submitted to the New York Regional Office on December 11, 2018. This SPA was submitted to establish a Medicaid emergency room triage reimbursement fee of \$140 for low acuity emergency room encounters of members enrolled in the State Medicaid fee-for-service program.

Based on the information provided, the Medicaid State Plan Amendment 18-0011 was approved on January 8, 2019. The approved effective date of this amendment is November 1, 2018. We are enclosing the approved CMS-179 and approved reimbursement plan page.

If you have any additional questions or need further assistance, please contact Yvette Moore at (646) 694-0915 or <u>Yvette.Moore@cms.hhs.gov</u>.



Ricardo E. Holligan Acting Associate Regional Administrator Division of Medicaid & Children's Health Operations

| | | FORM APPROVED OMB NO. 0938-0193 |
|--|---|------------------------------------|
| TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL | 1. TRANSMITTAL NUMBER: 18-0011 MA | 2. STATE New Jersey |
| FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES | 3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID) | |
| TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES 5. TYPE OF PLAN MATERIAL (Check One): | 4. PROPOSED EFFECTIVE DATE November 1, 2018 | |
| □ NEW STATE PLAN □ AMENDMENT TO BE CON | ISIDERED AS NEW PLAN | AMENDMENT |
| COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AME | | |
| 6. FEDERAL STATUTE/REGULATION CITATION: | 7. FEDERAL BUDGET IMPACT: | sir amenamenty |
| 42 U.S. C. 1396a(a)(30)(A) | a. FFY 2019 [\$ 250K] b. FFY 2020 [\$ 250K] | |
| 8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: | 9. PAGE NUMBER OF THE SUPER SECTION OR ATTACHMENT (If A | |
| Attachment 4.19B Page 2a | Same | |
| | | |
| 10. SUBJECT OF AMENDMENT: | | |
| Emergency Room Triage Reimbursement | Fee | |
| 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 SUBMITT | OTHER, AS SPECIFIED: Not required, pursuant to 7.4 of the Plan | |
| 12. SIGNATURE OF STATE AGENCY OFFICIAL: | 16. RETURN TO: | а. |
| 13. TYPED NAME: Carole Johnson | Meghan Davey, Director Division of Medical Assistance and Health | |
| 14. TITLE: Commissioner, Department of Human Services | Services P.O. Box 712, Mail Code #26 | |
| 15. DATE SUBMITTED: 12/11/18 | Trenton, NJ 08625-0712 | 2. |
| FOR REGIONAL O | FFICE USE ONLY | |
| 17. DATE RECEIVED: | 18. DATE APPROVED: January 08, 2019 | |
| PLAN APPROVED – O | | |
| 19. EFFECTIVE DATE OF APPROVED MATERIAL: November 01, 2018 | 20. SIGNATURE OF REGIONAL OF | |
| 21. TYPED NAME: Ricardo Holligan | 22. TITLE: Acting Associate Regination Division of Medicaid | |
| 23. REMARKS: | | |

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT STATE OF NEW JERSEY

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES FOR NON-INSTITUTIONAL SERVICES

collection are reimbursed separately. Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers of lab/pathology services. The effective date of the applicable fee schedule as well as a link to its electronic publication can be found on page 36 of Attachment 4.19-B of the State Plan.

- 6. <u>Outpatient Mental Health Services</u>: Most outpatient mental health services are reimbursed utilizing a fee schedule. Exceptions are Revenue code range 900-904 that are reimbursed using a cost-to-charge ratio as outlined in section 7 below. State developed fee schedule rates are the same for both governmental and private providers of mental health services. The effective date of the applicable fee schedule as well as a link to its electronic publication can be found on page 36 of Attachment 4.19-B of the State Plan.
- 7. Emergency Room Triage Reimbursement: Emergency Room (ER) services with a low acuity will be reimbursed a fee of \$140. Acuity is defined as the measurement of the intensity of nursing care required by a patient. A combination of ER revenue, level of intensity procedure and a combination of diagnosis codes ultimately determine the level of acuity for the purpose of applying this fee. The yearly updated list of low acuity/ non-emergent commissioner approved diagnosis codes are published on NJMMIS.com under the Rate and Code page November 1st of each year.
- 8. All other outpatient hospital services shall be reimbursed according to the cost-to-charge reimbursement methodology. The cost-to-charge-ratio is a retrospective cost reimbursement rate and is an interim payment. Payments will be compared to each facility's final settlement. The only exceptions are those listed at 1-6 above. Final settlements shall be reduced for hospital outpatient capital costs by 10 percent and reasonable cost of hospital outpatient services (net of outpatient capital cost) shall be reduced by 5.8 percent as reported in the Medicare Cost Report (HCFA-2552). This reduction shall be calculated when the Medicare Cost Report (HCFA-2552) is finalized and if the report is amended.
- 9. In no event shall the payment for any service listed above exceed the charge by the provider for identical services to other governmental agencies, or other groups or individuals in the community.