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State/Territory Name: **New Jersey** / Region II

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

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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 Yvette.Moore@cms.hhs.gov.

Sincerely,



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

**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

4. PROPOSED EFFECTIVE DATE
November 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:

42 U.S. C. 1396a(a)(30)(A)

7. FEDERAL BUDGET IMPACT:

a. FFY 2019 [\$ 250K]
b. FFY 2020 [\$ 250K]

8. PAGE NUMBER OF THE PLAN SECTION OR
ATTACHMENT:

Attachment 4.19B Page 2a

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 PAGE NUMBER OF THE SUPERSEDED PLAN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

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 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,
Department of Human Services

15. DATE SUBMITTED:

12/11/18

16. RETURN TO:

Meghan Davey, 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:
January 08, 2019

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:
November 01, 2018

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:
Ricardo Holligan

22. TITLE: Acting Associate Regional Administrator
Division of Medicaid & Children's Health

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. Outpatient Mental Health Services: 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.

18-0011 MA (NJ)

TN: 18-0011 MA (NJ)

Approval Date : January 8, 2019

SUPERCEDES: TN: 15-001 MA (NJ)

Effective Date: November 1, 2018