

Table of Contents

State/Territory Name: **New Jersey**

State Plan Amendment (SPA) #: **18-0013**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form w/ pen & ink authorizations
- 3) Approved SPA Page(s)
 - a. 3.1A page
 - b. 4.19B page

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: TLP: SPA-NJ-18-0013-Approval Letter

January 3, 2019

Meghan Davey
Director of Medical Assistance and Health Services
Department of Human Services
CN 712 Quakerbridge Plaza
Trenton, New Jersey 08625-0712

Dear Ms. Davey:

We have reviewed the proposed New Jersey State Plan Amendment (SPA) 18-0013, which was received in the New York Regional Office on November 27, 2018. This SPA clarifies that NJ pays the Medicaid Hospice rates developed annually by the Centers for Medicare and Medicaid Services and also applies the "appropriate local hospice wage index" for the four categories or levels of care provided (routine home care, continuous home care, inpatient respite care, and general inpatient care).

Based on the information provided, SPA 18-0013 was approved on January 3, 2019. The approved effective date of this amendment is October 1, 2018. We are enclosing the approved HCFA-179 inclusive of the pen and ink authorizations and the approved program and reimbursement plan pages.

Should you have any questions or concerns please contact Tara Smith Porcher at (212) 616-2418 or tara.porcher@cms.hhs.gov.

Sincerely,



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

Enclosures

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

FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES

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

1. TRANSMITTAL NUMBER:
18-0013 MA

2. STATE
New Jersey

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

4. PROPOSED EFFECTIVE DATE
October 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 Sec 1902(a)(13)

7. FEDERAL BUDGET IMPACT:

a. FFY 2019 \$ 0
b. FFY 2020 \$ 0

8. PAGE NUMBER OF THE PLAN SECTION OR
ATTACHMENT:

Addendum to Attachment 3.1-A Page 18
Attachment 4.19-B Page 17a

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 PAGE NUMBER OF THE SUPERSEDED PLAN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

Same
Same

10. SUBJECT OF AMENDMENT:

Hospice Reimbursement

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:

11/27/18

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 03, 2019

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

OCTOBER 01, 2018

21. TYPED NAME:

RICARDO HOLLIGAN

23. REMARKS:

20. SIGNATURE OF REGIONAL OFFICIAL:

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

PEN/INK AUTHORIZATIONS to CMS 179:

BOX 7a. FFY 2019 \$30.6k ; BOX 7b. FFY 2020 \$30.7k

**STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
Limitations of Amount, Duration and Scope of Services
Provided to the Categorically Needy**

18 Hospice Services

Hospice Services are provided to eligible persons who are terminally ill, regardless of whether they reside in the community or an institution. In addition to satisfying medical and financial criteria, an applicant shall have signed an Election of Hospice Benefits Statement.

Medical criteria which the individual must meet include a diagnosis of a terminal illness, a medical prognosis of a life expectancy of six months or less, as certified or recertified in writing by a licensed physician (M.D. or D.O.).

Participation in hospice is strictly voluntary, and may be revoked. If the individual, after revoking hospice care, desires to do so, he or she may resume care through hospice in a subsequent benefit period.

Hospice benefit periods are limited to those periods specified in Medicare (Title XVIII) law and regulation.

Services covered by hospice include nursing care, physical therapy, occupational therapy, speech-language pathology services, medical social services, homemaker/home health aide services, durable medical equipment and supplies, drugs and biologicals, counseling services, and supervisory physician services and inpatient respite care. Services unrelated to the terminal illness are coordinated by the hospice agency or the physician, in accordance with the plan of care.

Room and board services are provided in a nursing facility (NF) for terminally ill Medicaid recipients who are eligible for and elect to receive hospice care. The applicant must be residing in a Medicaid-approved nursing facility. Hospice provides either routine or continuous home care hospice services to a Medicaid patient in a nursing facility, while room and board services are provided by the nursing facility. Room and board is not billed by the nursing facility, but by the hospice. When the hospice is reimbursed by Medicaid, the hospice in turn passes the amount on to the nursing facility.

Room and board services provided in a NF in conjunction with hospice services are not available if the NF has been designated as providing special programs. Special programs are those programs designed to serve individuals with psychiatric or developmental disability-related diagnoses.

18-0013-MA (NJ)

**TN No.:18-0013
Supersedes
TN No.: 11-10**

Approval Date: 01/03/2019 Effective Date: 10/01/2018

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

Methods and Standards for Establishing Payment Rates
For Non-Institutional Services

Reimbursement for Hospice Services:

Reimbursement for hospice services is dependent upon satisfaction of federal requirements regarding written certification/recertification of the patient's terminal illness within specified time periods, by licensed physician's (M.D. or D.O.)

New Jersey Medicaid fee-for-service hospice services are reimbursed on a per diem basis as follows. New Jersey pays the Medicaid Hospice rates developed annually by the Centers for Medicare and Medicaid Services and also applies the "appropriate local hospice wage index" for the five categories or levels of care provided (routine home care, continuous home care, inpatient respite care, general inpatient care and service intensity add-on 7 days pre death). The "appropriate local hospice wage index" is published annually in the Federal Register and is effective October 1 through September 30 of each year.

Medicaid reimbursement for hospice care will be made at predetermined rates for each day the individual receives care under one of the following five categories of levels of hospice care. Except as otherwise noted in the plan, fee schedule rates are the same for both governmental and private providers. The hospice service payment methodology for each category of care is below.

- A) Routine Home Care (RHC): Hospice providers are paid at one of two tiers (levels) of RHC. Effective for dates of service on or after October 1, 2018 the two tiers are based on number of days in care:

Tier 1 RHC: Days 1-60 of hospice care (Higher rate)	\$(1 unit= 1 day)
Tier 2 RHC: Days 61+ Beyond (decreased rate)	\$(1 unit=1 day)

There is a 60 days minimum gap in Hospice Services that must elapse to reset the Hospice day count and be eligible for the higher level of RHC reimbursement.

- B) Continuous Home Care Rate (CHC): \$Full Rate /24 hours or (1unit=1 hour)
- C) Inpatient Respite Care Rate: \$(1 unit=1 day)
- D) General Inpatient Care Rate: \$(1 unit=1 day)
- E) Service Intensity Add-on, 7 days Pre-Death \$(1unit=15 minutes)

Reimbursement may be made to the hospice provider to cover nursing facility room and board costs (R&B) of hospice members at the following rate:

Hospice NF R&B Per Diem Rate	95% of the NF Per Diem (1 unit=1 day)
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18-0013-MA (NJ)

TN No: 18-0013

Supersedes TN No.: 08-09-MA (NJ)

Approval Date: **01/03/2019**

Effective Date: **10/01/2018**