

TABLE OF CONTENTS

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

State Plan Amendment (SPA) #: **NJ-19-0002**

- 1) Approval Letter
- 2) CMS 179
- 3) Approved Plan Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
26 Federal Plaza, Room 37-100
New York, NY 10278



NEW YORK REGIONAL OPERATIONS GROUP

DMCHO: ZYM: SPA-NJ-19-0002-Approval Letter

June 11, 2019

Carol Grant
Acting Director of 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 19-0002

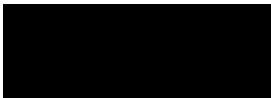
Dear Ms. Grant:

We have reviewed the proposed New Jersey State Plan Amendment 19-0002, which was submitted to the New York Regional Operations Group on March 29, 2019. The SPA authorizes supplemental payments to specific physician practice groups. The supplemental payments will be calculated as the difference between the fee for service schedule and the practice plans' average commercial rates based on CMS guidance.

Based on the information provided, the Medicaid State Plan Amendment 19-0002 was approved on June 11, 2019. The effective date of this amendment is January 1, 2019. We are enclosing the approved CMS-179 and the plan pages.

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,



Nicole McKnight
Acting Deputy Director
New York Regional Operations Group

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL	1. TRANSMITTAL NUMBER: 19-0002 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 January 1, 2019	
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: Social Security Act Section 1902(a)(13)	7. FEDERAL BUDGET IMPACT: a. FFY 2019 \$ 10.7 M b. FFY 2020 \$ 14.8 M
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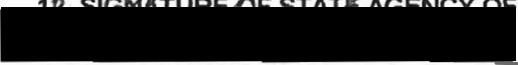
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Supplement 1 to Attachment 4.19-B page 4 Supplement 1 to Attachment 4.19-B page 4.1 Supplement 1 to Attachment 4.19-B page 4.2 Supplement 1 to Attachment 4.19-B page 4.3	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): New New New New
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10. SUBJECT OF AMENDMENT:

NJ Medicaid Access Physician Services (MAPS) Program

11. GOVERNOR'S REVIEW (Check One):

GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED:
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED Not required, pursuant to 7.4 of the Plan
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL: 	16. RETURN TO: Meghan Davey, Director Division of Medical Assistance and Health Services P.O. Box 712, Mail Code #26 Trenton, NJ 08625-0712
13. TYPED NAME: Carole Johnson	
14. TITLE: Commissioner, Department of Human Services	
15. DATE SUBMITTED: 3/29/19	

FOR REGIONAL OFFICE USE ONLY	
17. DATE RECEIVED:	18. DATE APPROVED: JUNE 11, 2019
PLAN APPROVED - ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL: JANUARY 01, 2019	
21. TYPED NAME: NICOLE MCKNIGHT	22. TITLE: New York Regional Operations Group
23. REMARKS:	

**STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
STATE/TERRITORY-New Jersey METHODS AND STANDARDS FOR
ESTABLISHING PAYMENT RATES-OTHER TYPES OF CARE**

Supplemental Payments for Physician and Professional Services at Qualifying
Professional Services Practices

1. Qualifying Criteria:

Physicians and other eligible professional service practitioners as specified in 2 below will qualify for supplemental payments for services rendered to Medicaid beneficiaries. To qualify for the supplemental payment, the physician or professional service practitioner must be:

- a. licensed by the State of New Jersey;
- b. enrolled as a New Jersey Medicaid provider.

2. Qualifying Providers Are those associated with the following medical schools:

- Rutgers New Jersey Medical School
- Rutgers Robert Wood Johnson Medical School
- Rutgers School of Dental Medicine
- Rutgers School of Nursing
- Cooper Medical School of Rowan University
- Rowan University School of Osteopathic Medicine

Practitioners eligible for payments under this Program are either employed by or contracted with the Universities which operate the medical or dental schools or employed by or contracted with Cooper University Health Care or University Hospital. This definition includes Rutgers University Behavioral Health Care.

19-0002-MA (NJ)

TN: 19-0002-MA (NJ)

Approval Date: June 11, 2019

Supersedes: NEW

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STATE/TERRITORY-New Jersey**

**METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES-OTHER
TYPES OF CARE**

Supplemental Payments for Physician and Professional Services at Qualifying
Professional Services Practices (Con't)

Practitioners eligible for payments under this Program are either employed by or contracted with the Universities which operate the medical or dental schools or employed by or contracted with Cooper University Health Care or University Hospital.

3. Qualifying Practitioner Types

- Physicians
- Certified Registered Nurse Anesthetists
- Certified Registered Nurse Practitioners
- Physician Assistants
- Dentists
- Certified Nurse Midwives
- Clinical Social Workers
- Clinical Psychologists
- Optometrists

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4. Payment Methodology

The supplemental payment will be determined in a manner to bring payments for these services up to the average commercial rate level. The average commercial rate is defined as the rates paid by commercial payers for the same service. Under this methodology the terms physician and physician services include services provided by all qualifying practitioner types as set forth in 2. above. The specific methodology to be used in establishing the supplemental payment for physician services is as follows:

a. For services provided by physicians or other eligible providers meeting the criteria as set forth in "1." above, the state will annually collect from each qualifying provider the practice groups commercial physician fees by CPT code for the groups' top five commercial payers by volume. If qualifying providers do not have five commercial payers the top three commercial payers may be used.

b. The state will annually calculate the average commercial rate for each CPT code for each qualifying provider, as defined under "2." above.

c. The state will collect the Medicaid paid claims history file for the preceding fiscal year for those qualifying providers, as defined under "2." above and sum the amount of the Medicaid payments. The state will align the average commercial rate for each CPT code as determined in "b." above to each Medicaid claim and calculate the amount that would have been paid using the average commercial rate. The resulting amount is summed for all claims. The state will calculate an average commercial rate conversion factor. The average commercial rate conversion factor is the ratio of the sum of the average commercial rate payments to the sum of the Medicaid payments.

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d. For each quarter the state will extract paid Medicaid claims for each qualifying provider type, as defined under "2." above for that quarter. Until such time that claims paid under the Office Based Addictions Treatment (OBAT) program are included in the base calculation described in 4c, such claims will be excluded from this extract.

e. The total amount that was paid for those claims is then multiplied by the average commercial rate conversion factor as computed in "4c." above. The amount Medicaid actually paid for those claims is subtracted to establish the supplemental payment amount for the qualifying provider for that quarter.

5. Effective Date of Payment

The supplemental payment will be made effective for services provided on or after January 1, 2019. The procedure codes and fees with appropriate effective dates are located at 4.19B, Page 36 and 36b for additional clarification.

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