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State/Territory Name: New Jersey

State Plan Amendment (SPA) #: NJ 19-0008

This file contains the following documents in the order listed:

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

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, Maryland 21244-1850



New York Regional Operations Group

November 14, 2019

Jennifer Langer Jacobs
Assistant Commissioner
Department of Human Services
Division of Medical Assistance and Health Services
State of New Jersey
PO Box 712
Trenton, New Jersey 08625

RE: State Plan Amendment (SPA) 19-0008

Dear Ms. Jacobs:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number 19-0008. This amendment continues New Jersey's Graduate Medical Education program for state fiscal year 2020.

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 447 Subpart C. We have found that the proposed reimbursement methodology complies with applicable requirements and, therefore, have approved them with an effective date of July 1, 2019. We are enclosing the CMS-179 and the amended approved plan pages.

If you have any questions, please call Charlene Holzbaaur at (609) 882-4103 Extension 104.

Sincerely,



Kristin Fan
Director

cc:

R. Weaver
R. Holligan
T. Brady
C. Holzbaaur

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

1. TRANSMITTAL NUMBER:

2. STATE

19-0008-MA

New Jersey

FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES

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, 2019

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 2019: \$ 36,515,000

FFY 2020: \$ 109,545,000

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.19-A Pages 1-227(d) (e) (f)

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION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

Same

10. SUBJECT OF AMENDMENT:

SFY 2020 GME Distribution Methodology

11. GOVERNOR'S REVIEW (Check One):

GOVERNOR'S OFFICE REPORTED NO COMMENT

OTHER, AS SPECIFIED:

Not required, pursuant to 7.4 of the Plan

COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL:

16. RETURN TO:

TYPED NAME: Carole Johnson

Jennifer Langer Jacobs, Assistant Commissioner
Division of Medical Assistance and Health Services
P.O. Box 712, #26
Trenton, NJ 08625-0712

14. TITLE: Commissioner

15. DATE SUBMITTED: 7/30/19

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

18. DATE APPROVED: NOV 14 2019

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL: JUL 01 2019

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME: Kristin Fan

22. TITLE: Director, FMGR

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 2020, \$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 is defined as any acute care hospital with GME interns and residents Full Time Equivalencies (FTEs).

AtlantiCare Regional MC - Mainland	2,720,627.24
Capital Health Medical Center - Hopewell	140,314.63
Capital Health Regional Medical Center	1,809,364.97
CarePoint Health - Bayonne Medical Center	1,467,652.89
CarePoint Health - Christ Hospital	1,017,424.62
CarePoint Health - Hoboken University Medical Center	2,194,590.14
CentraState Medical Center	299,699.88
Cooper Hospital/University MC	30,165,443.33
Deborah Heart and Lung Center	749,998.40
Englewood Hospital and Medical Center	1,348,327.77
Hackensack UMC - Mountainside	1,290,950.98
Hackensack UMC - Palisades	3,304,427.37
Hackensack University Medical Center	9,933,598.09
Hunterdon Medical Center	427,786.00
Inspira Medical Center - Vineland	9,940,717.87
Inspira Medical Center - Woodbury	419,007.16
Jefferson Cherry Hill Hospital	5,589,618.77
Jersey City Medical Center	7,638,599.03
Jersey Shore University Medical Center	5,451,502.89
JFK Medical Center	1,294,020.84
Lourdes Medical Center of Burlington Cty.	242,820.11
Monmouth Medical Center	9,489,314.02
Morristown Medical Center	5,639,093.98
New Bridge Medical Center	134,562.41
Newark Beth Israel Medical Center	20,744,272.33
Our Lady of Lourdes Medical Center	2,597,191.23
Overlook Medical Center	2,041,443.97
Raritan Bay Medical Center - Perth Amboy	1,167,016.05

19-0008

TN: 19-0008 MA (NJ)

Supersedes: TN: 18-0005 MA (NJ)

Approval Date: **NOV 14 2019**

Effective Date: **JUL 01 2019**

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)

Robert Wood Johnson University Hospital	15,556,807.36
RWJ University Hospital - Somerset	380,816.67
St. Barnabas Medical Center	7,199,227.28
St. Francis Medical Center	1,028,246.59
St. Joseph's University Medical Center	16,963,930.07
St. Luke's Warren Hospital	331,225.03
St. Mary's General Hospital	124,610.25
St. Michael's Medical Center	2,615,155.50
St. Peter's University Hospital	6,941,162.87
Trinitas Regional Medical Center	2,923,468.14
University Hospital	32,658,349.43
University MC of Princeton - Plainsboro	478,466.23
Virtua-Mem. Hospital of Burlington County	565,771.15
Virtua-West Jersey Health Sys. - Marlton	973,376.46
TOTAL	218,000,000.00

- (b) Each hospital receiving a GME allocation shall, on or before May 31, 2020, 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, 2020.

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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) 2020: 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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