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State/Territory Name: **New Jersey**

State Plan Amendment (SPA) #: **19-0010**

This file contains the following documents in the order listed:

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

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



Financial Management Group

December 5, 2019

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

RE: State Plan Amendment (SPA) TN 19-0010

Dear Ms. Jacobs:

We have reviewed the proposed amendment to Attachment 4.19-D of your Medicaid State Plan submitted under transmittal number (TN) 19-0010. Effective July 1, 2019, this amendment increases nursing facility Medicaid per diem rates by \$13.2 million over state fiscal year 2019 rates and includes a performance rate add-on for nursing facilities scoring at or above certain metrics.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30) and 1903(a) of the Social Security Act and the implementing Federal regulations at 42 CFR Part 447. This letter is to inform you that New Jersey 19-0010 is approved effective July 1, 2019. The CMS-179 and approved plan pages are enclosed.

If you have any questions, please contact Betsy Pinho at 518-396-3810.

Sincerely,

A black rectangular redaction box covers the signature area. A blue ink scribble is visible to the left of the box.

Kristin Fan
Director

Enclosures

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

FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES

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

1. TRANSMITTAL NUMBER: 19-0010 MA NJ	2. STATE New Jersey
3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
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)


8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:
**Attachment 4.19-D Pages 35
Attachment 4.19-D Page 1**

7. FEDERAL BUDGET IMPACT
**FFY 2019 \$ 41.25M 4.609
FFY 2020 \$ 33.7M-- 13.827**

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):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

10. SUBJECT OF AMENDMENT:
2020 Nursing Facility 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**

15. DATE SUBMITTED: **9/27/19**

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

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

18. DATE APPROVED:
DEC 05 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, FMG**

23. REMARKS:
On 12/3/2019, New Jersey State authorized CMS to make Pen & Ink changes to Box 7 to read: FFY 2019 \$4.609M and FFY 2020 \$13.827M.

**NURSING FACILITY REIMBURSEMENT
COST REPORT, RATE CALCULATION AND REPORTING SYSTEM
FOR LONG-TERM CARE FACILITIES**

NURSING FACILITY REIMBURSEMENT

The State has in place a public process which complies with the requirements of Section 1902(a)(13)(A) of the Social Security Act

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TN: 19-0010

Supersedes TN: 18-0006

19-0010-MA (NJ)
Effective Date: JUL 01 2019

Approval Date: DEC 05 2019

**STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
STATE OF NEW JERSEY
NURSING HOME REIMBURSEMENT**

Section 22 cont'd. Payments for Medical Assistance Recipients

Payments for Medical Assistance Recipients - Nursing facilities for the period of July 1, 2019, through June 30, 2020, are subject to the following conditions: (1) Class I (private), Class II (county), and Class III (special care) nursing facilities being paid on a fee-for-service basis, shall be reimbursed at the greater of the rate received on June 30, 2019, or the per diem rate, including the quality of care add-on, of \$188.35 plus a per diem adjustment that shall be calculated based upon an additional \$13,200,000; (2) the additional \$13,200,000 shall be distributed to nursing facilities as a \$3.01 increase to each facility's per diem rate received on July 1, 2019; (3) each Class I, Class II, and Class III nursing facility with a performance score greater than or equal to the national average performance score, as collected and published by the Centers for Medicare and Medicaid Services, for reporting periods Q2 2017, Q3 2017, Q4 2017, and Q1 2018, for one or more of the following metrics shall receive a performance add-on of \$.60 for each metric where average facility performance across the four quarters of data combined is greater than or equal to the national average performance for the same twelve month period: antipsychotic medication use; incidence of pressure ulcers; use of physical restraints; and falls with major injury; (4) each Class I, Class II, and Class III nursing facility that received a composite score of 75 or greater on the Core Q Resident and Family Experience Survey for Q2 2018 shall receive a \$.60 performance add-on.

For the purposes of this paragraph, a nursing facility's per diem reimbursement rate or negotiated rate shall not include, if the nursing facility is eligible for reimbursement, the difference between the full calculated provider tax add-on and the quality-of-care portion of the provider tax add-on, or any performance add-on amount as set forth in Section 12. For State Fiscal Year 2020, the provider tax add-on payable as an allowable cost shall be \$13.67 and the quality of care portion of the provider tax add-on shall be equivalent to the amount received by a nursing facility as of June 30, 2019.

19-0010 -MA (NJ)

TN: 19-0010 -MA (NJ)

Approval Date: DEC 05 2019

Supersedes: New

Effective Date: JUL 01 2019