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State/Territory Name: New Jersey

State Plan Amendment (SPA) #: 20-0004

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
233 North Michigan Ave., Suite 600
Chicago, Illinois 60601



Financial Management Group

August 10, 2020

Carole Johnson
Commissioner
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 #20-0004

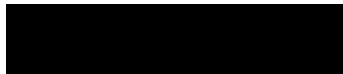
Dear Ms. Johnson:

We have reviewed the proposed amendment to Attachment 4.19-B of your Medicaid State plan submitted under transmittal number 20-0004. This amendment is being submitted in order to update New Jersey Medicaid fee for service rates for long term residential substance abuse services.

Based upon the information provided by New Jersey, we have approved the amendment with an effective date of June 4, 2020. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

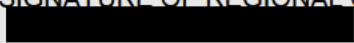
If you have any additional questions or need further assistance, please contact Division of Reimbursement Review (DRR) analyst Yvette Moore at (646) 694-0915 or Yvette.Moore@cms.hhs.gov

Sincerely,



Todd McMillion
Director
Division of Reimbursement Review

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 20-0004	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 June 3, 2020	
5. TYPE OF PLAN MATERIAL (<i>Check One</i>):			
<input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT			
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (<i>Separate Transmittal for each amendment</i>)			
6. FEDERAL STATUTE/REGULATION CITATION: 42 U.S. C. 1396a(a)(30)(A)		7. FEDERAL BUDGET IMPACT: a. FFY 2020: \$1,215,556 b. FFY 2021 \$3,860,484	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Supplement 1 to Attachment 4.19 – B Page 10		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>): New	
10. SUBJECT OF AMENDMENT: Long Term Residential Substance Abuse Services Rates			
11. GOVERNOR'S REVIEW (<i>Check One</i>):			
<input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL		<input checked="" type="checkbox"/> OTHER, AS SPECIFIED: Not required, pursuant to 7.4 of the Plan	
13. TYPED NAME: Carole Johnson		16. RETURN TO: Jennifer Langer Jacobs, Assistant Commissioner Division of Medical Assistance and Health Services P.O. Box 712, Mail Code #26 Trenton, NJ 08625-0712	
14. TITLE: Commissioner, Department of Human Services			
15. DATE SUBMITTED: 6/30/2020			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED:		18. DATE APPROVED: 8/10/2020	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 6/4/2020		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: Todd McMillon		22. TITLE: Director, Division of Reimbursement Review	
23. REMARKS: <u>PEN & INK AUTHORIZATION:</u> <u>BLOCK #4 s/b JUNE 4, 2020</u> <u>BLOCK #7a and #7b</u> - Dollar amount is the actual instead of thousands			

**STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
STATE OF NEW JERSEY
METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES-OTHER
TYPES OF CARE**

**Reimbursement for Rehabilitation Services – Mental Health Community Services
Substance Abuse Disorder Non-Hospital based detox - Rehabilitative Services
Long Term Residential (LTR) substance use disorder services**

LTRs will be reimbursed at a per diem rate which is the calculated cost of the required rehabilitation services divided by the number of beneficiaries served (12). In addition, LTRs will have the opportunity to receive two additional incentive payments. Providers who are licensed for the provision of Medication Assisted Treatment (MAT) by the New Jersey Department of Health (DOH) shall receive an additional \$5 bonus payment added to their base per diem rate. LTRs that provide MAT to at least 40% of their eligible Medicaid residents shall have an additional \$10 per beneficiary bonus payment added to their base per diem rate. The 40% shall be measured every 6 months (January and July) based on the total number of eligible Medicaid beneficiaries receiving LTR services divided by the number of eligible Medicaid beneficiaries receiving MAT by the Division of Mental Health and Addiction Services (DMHAS) utilizing mandatory discharge data reported to the New Jersey State Addictions Management System (NJSAMS). The measurement shall include all discharges, including duplicated and unduplicated beneficiaries, who received medications approved by the FDA for the treatment of Opioid Use Disorder (OUD) and Alcohol Use Disorder (AUD) and include, but are not limited to, Buprenorphine, Methadone, Naltrexone or Disulfiram. Although DOH's MAT license does not allow for the provision of Methadone, LTRs may still qualify for this bonus by arranging for the provision of Methadone from an Opioid Treatment Program (OTP).

The cost of MAT drugs, other than Methadone or Disulfiram, provided by the LTR will be billed separately using the appropriate HCPCS code for each drug and dosage combination. They will be paid the Wholesale Acquisition Cost (WAC) less 1% as well as an administration fee (\$2.50). There are no HCPCS codes available for Methadone or Disulfiram. LTRs that are licensed to provide Methadone may use a modifier to add \$5.90 (the cost of the Methadone plus administration) to the base per diem rate. Providers that provide Disulfiram may bill with the use of a modifier to add \$5.16 (the cost of Disulfiram plus administration) to the base per diem rate.

The effective date, the applicable fee schedules, and link to their electronic publication, can be found on page 36a of Attachment 4.19-B of the State Plan. The rates are the same for both governmental and private providers. Services for both ABP and non-ABP beneficiaries utilize the same rates unless otherwise noted in the plan. All applicable procedure code listings and/or rates are published on the State's website at www.njmmis.com under the link for "Rates and Code Information" and Medicaid fee-for-service sections.

TN: 20-0004

SUPERCEDES: NEWApproval Date: August 10, 2020Effective Date: June 4, 2020