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State/Territory Name: **NEW JERSEY**

State Plan Amendment (SPA) #: **12-02 MA**

This file contains the following documents in the order listed:

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

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Jacob K. Javits Federal Building
26 Federal Plaza
Room 37-100
New York, New York 10278-0063



December 4, 2013

Valerie Harr, Director
State of New Jersey
Department of Human Services
Division of Medical Assistance and Health Services
P.O. Box 712
Trenton, New Jersey 08625-0712

Dear Ms. Harr:

We have completed our review of New Jersey State Plan Amendment submittal 12-02-MA, "Outpatient Hospital Dental Services" (Attachment 4.19B, Page 2 and 2a) and find it acceptable for incorporation into New Jersey's Medicaid Plan, effective February 6, 2012.

As requested by the State on December 2, 2013, we have made pen-and-ink changes to Blocks 8, 9 and 15 of the CMS-179.

Enclosed please find copies of State Plan Amendment 12-02-MA and Form CMS-179.

If you have any questions or wish to discuss this further, please contact Shing Jew of my staff at 212-616-2426.

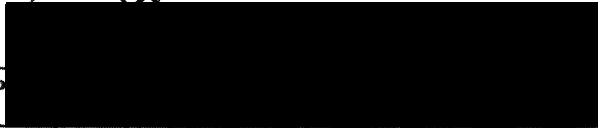

Sincerely,

/s/

Michael Melendez
Associate Regional Administrator
Division of Medicaid and Children's Health Operations

Enclosures

cc: JHubbs
RHolligan
JGuhl
RWeaver
SAbbott
SJew
MLopez

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|--|--|---|------------------------|
| TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL | | 1. TRANSMITTAL NUMBER: 12-02-MA | 2. STATE 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 February 6, 2012 | |
| 5. TYPE OF PLAN MATERIAL (Check One): <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 (Separate Transmittal for each amendment) | | | |
| 6. FEDERAL STATUTE/REGULATION CITATION: 42 USC 1396d(a)(2); 42 CFR 440.2, 42 CFR 440.20; and 42 CFR 447.321 | | 7. FEDERAL BUDGET IMPACT a. FFY 2012 \$ 16,258 b. FFY 2013 \$ 25,363 | |
| 8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19B page 2, page 2a **SEE REMARKS BELOW | | 9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Attachment 4.19B page 2, page 2a | |
| 10. SUBJECT OF AMENDMENT: Outpatient hospital dental services | | | |
| 11. GOVERNOR'S REVIEW (Check One): <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 | | | |
| 12. SIGNATURE OF STATE AGENCY OFFICIAL:  | | 16. RETURN TO: Valerie Harr, Director Division of Medical Assistance and Health Services P.O. Box 712, #26 Trenton, NJ 08625-0712 | |
| 13. TYPE  | | | |
| 14. TITLE: Commissioner | | | |
| 15. DATE SUBMITTED: 3/29/12 | | | |
| FOR REGIONAL OFFICE USE ONLY | | | |
| 17. DATE RECEIVED | | 18. DATE APPROVED December 04, 2013 | |
| 19. PLAN APPROVED - ONE COPY ATTACHED | | 20. SIGNATURE OF REGIONAL OFFICIAL | |
| 21. TYPED NAME Michael Melendez | | 22. TITLE Associate Regional Administrator Division of Medicaid and State Operations | |
| 23. REMARKS: <i>The spa provides a separate reimbursement methodology for dental services provided to beneficiaries with chronic medical conditions and/or developmental disabilities.</i> | | | |

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

Methods and Standards for Establishing Payment Rates for Non-Institutional Services
OUTPATIENT HOSPITAL SERVICES

a) In-state Outpatient Hospital Services

1. Outpatient Hospital (Dental Services): Reimbursement for dental services performed in the outpatient department of the hospital shall be on a fee-for-service basis, equal to the fees paid to private practitioners and independent dental clinics. The exception is, reimbursement for Outpatient dental services provided to NJ Medicaid/ FamilyCare fee-for-service beneficiaries with chronic medical conditions and/or developmental disabilities resulting in special healthcare needs. Consideration for the special healthcare needs exclude services from being performed in a private dental office or dental clinic, and require that the service be performed in a hospital operating room. This reimbursement will follow the cost-to-charge reimbursement methodology as described in the State Plan Attachment 4.19-B a) Item number 7. Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers of dental services and the fee schedule and any annual/periodic adjustments to the fee schedule are published in N.J.A.C. 10:56-3.2 & 3.3. The fees in the State's fee schedule were set on January 1, 2008 and are effective for services provided on or after that date. All rates and their effective dates are published on the Department's fiscal agent's website at www.njmmis.com under the link for "rate and code information".
2. Outpatient Hospital (HealthStart): Reimbursement for HealthStart Health Support Services and Pediatric Continuity of Care shall be paid on a fee-for-service basis. Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers of Health Start services and the fee schedule and any annual/periodic adjustments to the fee schedule are published in N.J.A.C. 10:54-9.10. The fees in the State's fee schedule were set on January 1, 2008 and are effective for services provided on or after that date. All rates and their effective dates are published on the Department's fiscal agent's website at www.njmmis.com under the link for "rate and code information".
3. Outpatient Hospital (Renal Dialysis): Services for End-Stage Renal Disease (ESRD): Reimbursement for Renal Dialysis Services for ESRD shall be at 100 percent of the Medicare composite rate including any add-on charges.
4. Outpatient Hospital (Medicare Deductible and Co-insurance Amounts): Medicare deductible and co-insurance amounts shall be reimbursed at 100 percent.
5. Outpatient Hospital (Laboratory/Pathology): Most hospital outpatient department laboratory/pathology services are reimbursed on a fee-for-service basis using

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Supersedes: TN: 08-17 MA (NJ)Approval Date: DEC 04 2013
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OFFICIAL

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

Methods and Standards for Establishing Payment Rates for Non-Institutional Services
OUTPATIENT HOSPITAL SERVICES

the Medicaid Laboratory/Pathology Fee Schedule. There are some exceptions for blood products and other laboratory services, such as pathology, that are reimbursed on a cost-to-charge ratio. Specimen drawing and collection are reimbursed separately. Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers of lab/pathology services and the fee schedule and any annual/periodic adjustments to the fee schedule are published in N.J.A.C. 10:52-10.2 & 10.3. The fees in the State's fee schedule were set on January 18, 2000 and are effective for services provided on or after that date. All rates and their effective dates are published on the Department's fiscal agent's website at www.njmmis.com under the link for "rate and code information".

6. Outpatient Mental Health Services: Most outpatient mental health services are reimbursed on a fee-for-service basis. Exceptions are Revenue code range 900-904 that are reimbursed on a cost-to-charge ratio. State developed fee schedule rates are the same for both governmental and private providers of mental health services and the fee schedule and any annual/periodic adjustments to the fee schedule are published in N.J.A.C. 10:52-4.3. The fees in the State's fee schedule were set on December 15, 2008 and are effective for services provided on or after that date. All rates and their effective dates are published on the Department's fiscal agent's website at www.njmmis.com under the link for "rate and code information".

7. All other outpatient hospital services shall be reimbursed according to the cost-to-charge reimbursement methodology. The cost-to-charge-ratio is a retrospective cost reimbursement rate and is an interim payment. Payments will be compared to each facility's final settlement. The only exceptions are those listed at 1-6 above. Final settlements shall be reduced for hospital outpatient capital costs by 10 percent and reasonable cost of hospital outpatient services (net of outpatient capital cost) shall be reduced by 5.8 percent as reported in the Medicare Cost Report (HCFA-2552). This reduction shall be calculated when the Medicare Cost Report (HCFA-2552) is finalized and if the report is amended.

12-02 MA (NJ)

TN: 12-02 MA (NJ)
Supersedes: TN: 08-17 MA (NJ)

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DEC 04 2013
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