



State of New Jersey

DEPARTMENT OF HUMAN SERVICES

DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

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August 22, 2018

Sandra Phelps
Project Officer
Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
7500 Security Blvd., Mail Stop S2-01-16
Baltimore, MD 21244-1850

RE: NJ 1115 Comprehensive Waiver Amendment

Dear Ms. Phelps,

This letter is official written notice that the Division of Medical Assistance and Health Services (DMAHS) requests to amend the Special Terms and Conditions (STCs) of the New Jersey Comprehensive Waiver Demonstration (Waiver).

The first pilot expedites financial eligibility determinations for individuals who are seeking long-term services and supports and who are placed under the New Jersey State Office of the Public Guardian (OPG). This would require the OPG to provide an attestation that the individual's resources would be less than the eligibility limit of \$2,000 because their financial obligations (i.e. bills) are in excess of their cash on hand. The State's Asset Verification System (AVS) and other electronic verification tools will assist the OPG and DMAHS in identifying any additional unknown resources and their value. As of September 2017, there have been 169 Medicaid approvals, and 250 pending Medicaid applications. Of those, 23 have been clients in an acute care setting. The impact on beneficiaries would be a more streamlined eligibility determination and enrollment into the NJ FamilyCare Program. Based on the relative smallness of the eligible population, New Jersey does expect a minor increase in expenditures which will be reflected in Budget Neutrality. See the expedited financial eligibility tab under the waiver estimates document for additional detail.

The second request adds a one-time allowance for pantry stocking and clothing to the community transition benefit under the Managed Long Term Services and Supports (MLTSS) benefit. The one-time food and purchase of initial necessary clothing items (e.g. a winter coat) reduces barriers to a successful transition and makes it more likely the individual will be able to remain in the community post-transition from an institutional setting. New Jersey currently allots \$5,000 to community transitions; the combination of the one-time food and one-time clothing purchase would not exceed \$1,000 of this funding. There is no change to the \$5,000 limit on the service and therefore will not have an impact on beneficiaries or Budget Neutrality because the \$5000 is already included in the per member per month capitation rate. Most recent health plan data reveals that 772 beneficiaries have utilized the community transition benefit and only one individual has exceeded the \$5000 limit for this service. The amount exceeding \$5000 was \$88.

The third request expands and enhances New Jersey's current community health demonstration project to implement the New Jersey Home Visiting (NJHV) pilot program, an evidence-based initiative for high-risk pregnant/postpartum women, infants and young children to age two.

New Jersey began implementation of a statewide system of evidence-based home visiting services that target low-income at-risk families during pregnancy, birth and early childhood in all 21 counties of the state. To accomplish this New Jersey utilizes three core EBHV models—Healthy Families America (HFA), Nurse-Family Partnership (NFP), and Parents As Teachers (PAT)—each with a slightly different target population that helps to reach a broad segment of the state's higher-risk pregnant women, parents, young children, and families. Services now reach an annual estimate of 5,000 families across New Jersey. Current funding for NJHV is collaboration across three state departments with an allocation of federal funds from the Department of Human Services.

This NJHV demonstration project will provide evidence-based home visiting services by certified home visitors to promote enhanced health outcomes, whole person care, and community integration for high-risk pregnant women and children to age two. The amendment request will have no impact on beneficiaries and will specifically expand services to a projected 1400 additional families. This pilot project will enable the state to serve additional low-income pregnant women and newborn children each year who are at the greatest risk for poor health outcomes; and, to study the short and longer term impacts of this expenditure on pregnancy, infant/child, and family health and well-being.

The New Jersey Department of Children and Families allocates \$4.1 million annually of state funds to the NJHV Demonstration Project. The NJHV will receive Federal Financial Participation through Costs Not Otherwise Matchable authority which is expected to affect budget Neutrality. The estimated cost of the NJHV demonstration is \$8.2 million per State Fiscal Year. (\$4.1 million state funds and \$4.1 million federal funds).

New Jersey's current evaluation design is sustainable and does not need to be modified to incorporate the three amendment provisions.

New Jersey presented a detailed description of these initiatives at the statewide Medical Assistance Advisory Council (MAAC) meeting on Thursday, April 11, 2018, at 10:00 a.m. at the New Jersey State Police Complex and Public Health Environmental and Agricultural Laboratory (PHEAL) building in Ewing N.J. Additional information can be found on the Medical Assistance Advisory Council meeting's website: <http://www.state.nj.us/humanservices/dmahs/boards/maac/>. A telephonic conference line was provided at the meeting for all stakeholders and interested parties statewide.

New Jersey has an email address dedicated to accept public comment of the Waiver Amendment. This email address was included in all Waiver presentations, and in the Public Notice that was published statewide.

A copy of this Notice is available for public review on the DHS website under Public Notices at <http://www.state.nj.us/humanservices/providers/grants/public/index.html>. Stakeholders and interested parties were notified that they can submit comments or inquires in writing within 30 days of the date of the Notice by e-mail, mail or fax. The state held a public comment period from April 10, 2018 to May 11, 2018.

Please contact me at 609-588-2600 if you have any questions or need additional information.

Sincerely,



Meghan Davey
Director



MD:shs
Enclosures

c: Carole Johnson
Sarah Adelman
Seema Verma
Michael Melendez
Julie Cannariato

Summary of Public Comments

To ensure the widespread stakeholder participation and encourage input Statewide, the State established an email address dedicated to accept public comment of the Waiver Amendment. This email address was included in all Waiver presentations, and in the public notice that was published statewide. DMAHS received two written comments from stakeholders representing community health programs and hospitals.

The respondents expressed much praise, accolade and appreciation for the opportunity to provide comment and for the concepts included in the proposed Waiver Amendment. The comments received were overall supportive and asked for further clarification around the design, implementation, and operational aspects of the pilots. In addition, the respondent of the second comment offered additional suggestions into the streamlined eligibility pilot for individuals under the Office of the Public Guardian (OPG).

New Jersey utilized the Medical Assistance Advisory Committee (MAAC) meeting, as well as the Home Visiting Coalition Meeting and shared the proposed Waiver Amendment with the NJ Foundation for Aging, which is an advocacy group connected to issues with housing and senior long term care service needs. A telephonic conference line was provided at the MAAC meeting for stakeholders and interested parties statewide. Additional comment detail on all of the proposals is noted below:

Managed Long Term Services and Supports

The Stakeholder comment on the request to include a one-time allowance for pantry stocking and clothing to the community transition benefit under the Managed Long Term Services and Supports (MLTSS) benefit was positive. Stakeholders agree that including a one-time allowance out of the \$5,000 allocation for community transitions will have a positive impact on beneficiaries as social determinants of health are increasingly recognized as the underpinning of successful transitions to community living.

Expedited Financial Eligibility Pilot

Stakeholders believe the request to pilot expedited financial eligibility determinations for individuals who are seeking long-term services and supports and who are placed under guardianship on the New Jersey State Office of the Public Guardian (OPG) is a positive approach, however one Stakeholder suggested including other similar populations who qualify for long-term services and supports into the pilot program. The feedback also suggested expanding expedited financial eligibility for residents of nursing homes who have spent down while residing in the nursing home. New Jersey appreciates the suggestion to include other populations in the pilot program. At the current time, New Jersey plans to pilot with only beneficiaries placed under the auspices of the Office of the Public Guardian (OPG) and will make an expansion determinations based on the evaluation and outcome of this pilot.

New Jersey Home Visiting (NJHV) Pilot Program

The majority of the comments received support the proposed changes to expand and enhance NJ's current community health demonstration project to implement the New Jersey Home Visiting Pilot Program, an evidence-based initiative for high risk pregnant/postpartum woman,

Summary of Public Comments

infants, and young children up to two. Stakeholders asked for further clarification around the operational aspects of the pilot. Comments received asked clarifying questions around implementation, services provided, target population, and the metrics that will be utilized for the short and long-term impacts of the beneficiary enrolled in the program. New Jersey intends to align home visitation (HV) data and metrics with the indicators and process that is currently in place for the NJHV pilot using the same data systems. Any refinement or additions will be shared with model developers as the process moved forward. Stakeholders also inquired if savings realized through this pilot program will be reinvested into the existing Home Visitation Initiative. New Jersey will monitor any savings realized through the pilot program and will determine any reinvestment strategies in for feasibility, and budget allocations.

Expedited Financial Eligibility (Maximum Impact)

	Year 1	Year 2	Year 3	Year 4	Year 5
Number of Individuals	250	250	250	250	250
MLTSS Capitation Rate*	\$ 4,781.52	\$ 4,924.97	\$ 5,072.71	\$ 5,224.90	\$ 5,381.64
# of Additional Mths Enrolled as a Result of Expedited Elig	2	2	2	2	2
Additional Cost	\$ 2,390,760	\$ 2,462,483	\$ 2,536,357	\$ 2,612,448	\$ 2,690,821
State Share	\$ 1,195,380	\$ 1,231,241	\$ 1,268,179	\$ 1,306,224	\$ 1,345,411
Federal Share	\$ 1,195,380	\$ 1,231,241	\$ 1,268,179	\$ 1,306,224	\$ 1,345,411

*Year 1 is SFY19 is the Blended MLTSS Rate for all Categories of Aid. Years 2-5 assume a 3% annual increase per year.

Expansion of New Jersey Home Visiting (NJHV) Expansion program

	Year 1	Year 2	Year 3	Year 4	Year 5
Number of Families	2800	2800	2800	2800	2800
Cost Per Family Served	\$ 2,857.14	\$ 2,942.86	\$ 3,031.14	\$ 3,122.08	\$ 3,215.74
Additional Cost	\$ 8,000,000	\$ 8,240,000	\$ 8,487,200	\$ 8,741,816	\$ 9,004,070
State Share	\$ 4,000,000	\$ 4,120,000	\$ 4,243,600	\$ 4,370,908	\$ 4,502,035
Federal Share	\$ 4,000,000	\$ 4,120,000	\$ 4,243,600	\$ 4,370,908	\$ 4,502,035