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## **Table of Contents**

**State/Territory Name: New Jersey**

**State Plan Amendment (SPA) #: NJ-13-0025-MM4**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Superseding Pages Notice (delete if not applicable)
- 4) Approved SPA Pages
- 5) Additional Attachments that are part of the state plan

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
New York Regional Office  
26 Federal Plaza, Room 37-100  
New York, NY 10278



DIVISION OF MEDICAID AND CHILDREN'S HEALTH OPERATIONS

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August 25, 2014

Valarie 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:

Enclosed is an approved copy of New Jersey's state plan amendment (SPA) 13-0025-MM4, which was submitted to CMS on December 20, 2013. SPA 13-0025-MM4 incorporates the Single State Agency SPA into New Jersey's Medicaid state plan in accordance with the Affordable Care Act. The effective date of this SPA is October 1, 2013.

Enclosed is a copy of the new state plan pages and attachments to be incorporated within a separate section at the end of New Jersey's approved state plan:

- A1-A3, pages 1 to 8
- Attachment 1 – Attorney General Certification
- Attachment 2 – DMAHS Division Organizational Chart
- Attachment 3 – DHS Organizational Chart

In addition, enclosed is a summary of state plan pages which are superseded by SPA 13-0025-MM4.

CMS appreciates the significant amount of work your staff dedicated to preparing this state plan amendment. If you have any questions concerning this SPA, please contact Patricia Ryan at (212) 616-2436 or at [Patricia.Ryan@cms.hhs.gov](mailto:Patricia.Ryan@cms.hhs.gov).

Sincerely,

/s/

Michael Melendez  
Associate Regional Administrator  
Division of Medicaid and Children Health

**Medicaid State Plan Eligibility: Summary Page (CMS 179)**

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**State/Territory name:** New Jersey

**Transmittal Number:**

*Please enter the Transmittal Number (TN) in the format ST-YY-0000 where ST= the state abbreviation, YY = the last two digits of the submission year, and 0000 = a four digit number with leading zeros. The dashes must also be entered.*

NJ-13-0025

**Proposed Effective Date**

10/01/2013 (mm/dd/yyyy)

**Federal Statute/Regulation Citation**

42 CFR 431.10

**Federal Budget Impact**

	Federal Fiscal Year	Amount
First Year	2014	\$ 0.00
Second Year	2015	\$ 0.00

**Subject of Amendment**

state plan administration-delegation and authority (A1-A3)

**Governor's Office Review**

- Governor's office reported no comment
- Comments of Governor's office received

Describe:

- No reply received within 45 days of submittal

- Other, as specified

Describe:

Not required pursuant to section 7.4 of the state plan.

**Signature of State Agency Official**

Submitted By: Julie Hubbs  
 Last Revision Date: Aug 7, 2014  
 Submit Date: Dec 20, 2013

**SUPERSEDING PAGES OF  
STATE PLAN MATERIAL**

**TRANSMITTAL NUMBER:**

NJ- 13-0025

**STATE:**

New Jersey

**PAGE NUMBER OF THE PLAN SECTION OR  
ATTACHMENT:**

A1 – A3

**COMPLETE PAGES  
SUPERSEDED:**

Section 1, pages 1-9  
Attachment 1.2A  
Attachment 1.2 B  
Attachment 1.2C  
Attachment 1.2D

**PARTIAL PAGES  
SUPERSEDED:**

A2

Notwithstanding any other provisions of the Medicaid State Plan, the agencies designated in A2 will determine eligibility for coverage to the extent specified in A2.

Notwithstanding the checked assurances on A3, the single state agency has not entered into: 1) an agreement with the Federally-facilitated Marketplace to determine eligibility for Medicaid; nor 2) an agreement with the Office of Marketplace Eligibility Appeals to conduct Medicaid fair hearings to date, but will enter into CMS-approved agreements with the Federally-facilitated Marketplace and the Office of Marketplace Eligibility Appeals as soon as possible and no later than January 1, 2014.



# Medicaid Administration

OMB Control Number 0938-1148  
OMB Expiration date: 10/31/2014

**State Plan Administration Designation and Authority** **A1**

42 CFR 431.10

**Designation and Authority**

State Name:

As a condition for receipt of Federal funds under title XIX of the Social Security Act, the single state agency named below submits the following state plan for the medical assistance program, and hereby agrees to administer the program in accordance with the provisions of this state plan, the requirements of titles XI and XIX of the Act, and all applicable Federal regulations and other official issuances of the Department.

Name of single state agency:

Type of Agency:

- Title IV-A Agency
- Health
- Human Resources
- Other

Type of Agency

The above named agency is the single state agency designated to administer or supervise the administration of the Medicaid program under title XIX of the Social Security Act. (All references in this plan to "the Medicaid agency" mean the agency named as the single state agency.)

The state statutory citation for the legal authority under which the single state agency administers the state plan is:

The single state agency supervises the administration of the state plan by local political subdivisions.

Yes  No

The certification signed by the state Attorney General identifying the single state agency and citing the legal authority under which it administers or supervises administration of the program has been provided.

**An attachment is submitted.**

The state plan may be administered solely by the single state agency, or some portions may be administered by other agencies.

The single state agency administers the entire state plan under title XIX (i.e., no other agency or organization administers any portion of it).

Yes  No



# Medicaid Administration

The entity or entities that have responsibility for determinations of eligibility for families, adults, and for individuals under 21 are:

- The Medicaid agency
- Single state agency under Title IV-A (in the 50 states or the District of Columbia) or under Title I or XVI (AABD) in Guam, Puerto Rico, or the Virgin Islands
- An Exchange that is a government agency established under sections 1311(b)(1) or 1321(c)(1) of the Affordable Care Act

The entity that has responsibility for determinations of eligibility for the aged, blind, and disabled are:

- The Medicaid agency
- Single state agency under Title IV-A (in the 50 states or the District of Columbia) or under Title I or XVI (AABD) in Guam, Puerto Rico, or the Virgin Islands
- An Exchange that is a government agency established under sections 1311(b)(1) or 1321(c)(1) of the Affordable Care Act
- The Federal agency administering the SSI program

Indicate which agency determines eligibility for any groups whose eligibility is not determined by the Federal agency:

- Medicaid agency
- Title IV-A agency
- An Exchange

The entity or entities that have responsibility for conducting fair hearings with respect to denials of eligibility based on the applicable modified adjusted gross income standard are:

- Medicaid agency
- An Exchange that is a government agency established under sections 1311(b)(1) or 1321(c)(1) of the Affordable Care Act
- An Exchange appeals entity, including an entity established under section 1411(f) of the Affordable Care Act

Name of entity:

The agency has established a review process whereby the agency reviews appeals decisions made by the Exchange or Exchange appeals entity or other state agency, but only with respect to conclusions of law, including interpretations of state or federal policies.

Yes     No

**State Plan Administration**  
**Organization and Administration** **A2**

42 CFR 431.10  
42 CFR 431.11

**Organization and Administration**

Provide a description of the organization and functions of the Medicaid agency.

The Department of Human Services administers most of the State's Social Services programs, institutions and agencies, including the administration of federal funds appropriated to all of these services. Under its jurisdiction are the Division of Medical Assistance and Health Services (DMAHS), Division of Aging Services (DoAS), Division of Family Development (DFD), Division



# Medicaid Administration

of Mental Health and Addiction Services (DMHAS), Division of Disability Services (DDS), the Commission for the Blind and Visually Impaired (CBVI), the Division of the Deaf and Hard Hearing (DDHH), and the Division of Developmental Disabilities (DDD).

DMAHS is responsible for the training, monitoring and oversight of AFDC-related Medicaid, NJ FamilyCare, Aged, Blind, Disabled programs, and institutional/waivered programs eligibility process for the 21 County Welfare Agencies (CWAs). This division is the focal point for development, interpretation and communication of Medicaid eligibility policy to CWAs, Division staff, and outside agencies and parties. This division is responsible for the analysis of existing and proposed Federal and State laws and regulations relating to eligibility to determine the impact on Medicaid programs, clients, and county operations. It provides technical assistance and administrative oversight for Medicaid programs and serves as a liaison to the Division of Family Development for functions related to their programs. Also, this division works with the Division of Disability Services in administering the NJ Workability Program as well as the Division of Children's Behavioral Health Services in processing Medicaid applications for out of home placements for their participants.

CWA means an agency of county government that is charged with the responsibility for determining eligibility for public assistance programs, including AFDC-Related Medicaid, Temporary Assistance to Needy Families (TANF), the Food Stamp program and Medicaid (Title XIX). Depending on the county, the CWA might be identified as the Board of Social Services, the Welfare Board, the Division of Welfare, or the Division of Social Services. CWAs are overseen by the office of Eligibility Policy within DMAHS and have Memoranda of Understandings (MOUs) with DMAHS. They conduct all Title XIX Medicaid eligibility determinations including all Modified Adjusted Gross Income (MAGI) related eligibility groups and those aged and disabled groups not determined eligible by the Social Security Administration (SSA), DMAHS' Institutional Support Services (ISS), and the Health Benefits Coordinator. ISS, a subdivision of DMAHS within the Office of Eligibility Policy, makes eligibility determinations for clients placed in State developmental centers, or county or State psychiatric hospitals, who are under age 21 or over 65, and for clients enrolled in the Division of Developmental Disabilities/Community Care Waiver program. Financial eligibility for the Waiver is determined by ISS and clinical eligibility is determined by DDD. The Health Benefits Coordinator is a State Vendor overseen by the Office of the Chief of Operations within DMAHS, and makes initial eligibility determinations for both Medicaid and CHIP. All initial Medicaid determinations made by the Health Benefits Coordinator are forwarded to appropriate State staff for review and final eligibility determination. The statutory authority for the delegation of eligibility determinations to the counties is found in N.J.S. 30:4D-7.r; 30:4D-3.i(8)(f); 30:4D-7a; 26:2H-18.32; and annually in language in the N.J. Appropriations Act. N.J.S. 30:4D-7 also authorizes the Commissioner to issue rules and regulations to administer the program which include: N.J.A.C. 10:49-14.4; 10:49-14.6; 10:71-1.1; 10:71-1.2; 10:71-1.5; 10:71-2.1; 10:71-3.13; 10:71-3.15.

DMAHS determines eligibility for the Community Care Waiver (CCW) program which is an 1115 waiver, reviews vendor Medicaid cases, and performs an independent review of someone seeking disability determination following SSA rules.

## Major Units and Staff-

### DMAHS Director-

The Director's Office is responsible for the overall management, administration and development of the programs administered by the DMAHS. Areas of responsibility of this office involve interpretation of program policy and related program activity, study of federal and State legislation and federal regulations as they pertain to program functioning, policy formulation, issuance of Final Agency Decisions in contested cases, provider suspensions and debarments, and program planning and evaluation. The responsibilities of this office also include responding to legislative and constituent concerns, and serving as a link with provider organizations and client advocates. The Director's Office is also responsible for review, analysis and preparation of comments for all aspects of State and Federal legislation that may impact DMAHS. The Office ensures that its duties are carried out in accordance with Departmental directives, policies and timelines. Additionally, the Office is involved in special studies and investigations, and oversight of special projects.

### Medical Assistance Advisory Council-

The primary objective of the Advisory Council is to advise the Division about health care issues and to foster communication between the larger, pluralistic community. The establishment of the Council is in accordance with federal regulation. The Council's membership is comprised of providers, consumers, Division staff and staff from other State and federal agencies.

### Chief of Staff-

The Chief of Staff is responsible for supporting the Director and for the overall management of the Office of Research, Office of



# Medicaid Administration

Internal Affairs, Bureau of Quality Control and the Human Resources, General Services, Auditing and Communication Units.

## Chief Financial Officer-

This Office oversees the operations of the Office of Budget & Finance, the Divisions Reimbursement Offices, and the Hospital Services, In Patient Rate Setting and Data Analysis Units.

## Chief of Operations-

This Chief of Operations has oversight and management responsibilities for the overall planning, organization, development and administration of all NJ FamilyCare/ Medicaid client units. Additionally the Chief of Operations evaluates program operations for improvements to increase the organization's efficiency and effectiveness. This office also has oversight of the Office of Eligibility Policy, Premium Support, Policy, State Monitoring Unit, Waiver Operations, NJ FamilyCare Outreach, and Office of Customer Service.

## Chief Information Officer-

The Chief Information Officer is responsible for all information technology and administrative support services. The Chief Information Officer plans, designs, recommends and implements major automated systems in order to fulfill the statistical, administrative, and general data processing needs of the Division. This office also oversees the Medicaid Management Information System (MMIS) Fiscal Agent contract.

## Human Resources-

This office is responsible for the personnel, payroll, and Public Employees Occupational Safety and Health (PEOSH) units for the Division of Medical Assistance and Health Services and the Division of Family Development.

## Office of Eligibility Policy-

This office is responsible for the management of County Operations, Eligibility Policy, HMO Account Coordinators, Office of Eligibility Operations, Special Projects and the Buy-in unit. Supports the design, development and implementation of new policies, procedures and programs as determined by the Division Director.

## Office of the Medical Director-

This office oversees the operations of the Utilization Management, Preventive Health Care Services, Quality Assurance, Provider Relations and Dental Services Offices.

## Office of Managed Health Care-

The Office of Managed Health Care (OMHC) is responsible for the overall administration of the Managed Care Program. It is the ongoing responsibility of the OMHC to interface with Managed Care Organizations (MCOs), and CMS on contractual issues, contract/policy interpretation, and the provision of contract technical assistance to MCOs, Division staff, providers, and other agencies. Within the Office of Managed Care is Managed Behavioral Health, Delivery System Innovation, and the Office of Quality Assurance.

## Office of Legal and Regulatory Affairs-

The Office of Legal and Regulatory Affairs (OLRA) is the in-house legal and regulatory office within DMAHS, and performs the following functions: providing informal legal advice and assistance to DMAHS and other State staff; drafting, reviewing and commenting on legislation and budget language; drafting and promulgating regulations; drafting state plan amendments, submitting them to CMS, and responding to CMS questions about those amendments, drafting and reviewing contracts and agreements; processing fair hearing requests and drafting final agency decisions for the Director; handling HIPAA issues and open public records requests; handling recovery cases involving torts, casualty insurance, estates, special needs trusts, and incorrect payments; and restricting to a single pharmacy or other provider beneficiaries who have engaged in overutilization or other abuse.

The OLRA Fair Hearing Unit processes hearing requests from applicants who have been denied eligibility or whose application has not been acted upon with reasonable promptness as well any recipient whose services or eligibility have been terminated, suspended, or reduced. The Fair Hearing Unit also processes hearing requests from Medicaid providers seeking to appeal the denial of a request for prior authorization and denial of claims submitted for payment. Fair hearing requests are transmitted to the Office of Administrative Law (OAL) for a hearing before an Administrative Law Judge (ALJ). The OAL is an independent agency that conducts fair hearings for a number of agencies within the State of New Jersey, including DMAHS. The ALJ issues an Initial Decision (i.e. recommended decision) for de novo review by DMAHS' Director. Thereafter DMAHS' Director issues a Final



# Medicaid Administration

Agency Decision, which is appealable to the Appellate Division of the New Jersey Superior Court.

Other divisions within the Department of Human Services the Division of Aging Services (DoAS), the Division of Family Development (DFD), the Division of Mental Health and Addiction Services (DMHAS), the Division of Disability Services (DDS), the Commission for the Blind and Visually Impaired (CBVI), the Division of the Deaf and Hard of Hearing (DDHH), and the Division of Developmental Disabilities (DDD).

Division of Family Development (DFD), also within the New Jersey Department of Human Services, administers programs of financial and administrative support for certain qualified individuals and families.

Division of Aging Services (DoAS), is a Division within the New Jersey Department of Human Services created through SFY2013 budget language that transferred senior supports and services from the Department of Health to the Department of Human Services. The DoAS administers federal and State-funded services and supports for the elderly and adult disabled population. The agency receives federal funds under the Older Americans Act whereby it serves over 500,000 individuals and is the focal point for planning services for the aging, developing comprehensive information about New Jersey's older adult population and its needs, and maintaining information about services available to older adults throughout the state.

Division of Developmental Disabilities (DDD), a division within the New Jersey Department of Human Services, provides evaluation, functional and guardianship services to eligible persons. Services include residential services, family support, contracted day programs, work opportunities, social supervision, guardianship, and referral services.

Division of Disability Services (DDS), a division within the New Jersey Department of Human Services, promotes the maximum independence and participation of people with disabilities in community life.

Division of Mental Health and Addiction Services (DMHAS), is also a Division within the New Jersey Department of Human Services.

Upload an organizational chart of the Medicaid agency.

**An attachment is submitted.**

Provide a description of the structure of the state's executive branch which includes how the Medicaid agency fits in with other health, human service and public assistance agencies.

The Department of Human Services is part of the Executive Branch, led by the Commissioner of Human Services who is a cabinet official appointed by the Governor. The Department of Human Services is the single state agency which administers the Medicaid program through the Division of Medical Assistance and Health Services (DMAHS). DMAHS works with the divisions within Human Services and other departments in the Executive Branch to administer most of the State's social services programs, institutions and agencies, including the administration of federal funds received for all of these services.

The Department of Health (DOH), which is in the Executive Branch of New Jersey State government is responsible for the oversight and licensure of certain medical providers, among other functions.

The Department of Children and Families (DCF), is in the Executive Branch of New Jersey State government. It includes the Division of Child Protection and Permanency (DCP&P), the Division of Children's System of Care (CSOC), the Division of Prevention and Community Partnerships (DPCP), the Child Welfare Training Academy, Central Operations, the Office of Communications and Legislation, the Office of Education, and the Office of Licensing. DCP&P, formerly known as the Division of Youth and Family Services (DYFS), within the New Jersey Department of Children and Families, is responsible for ensuring the safety of children and providing social services to children and their families. DCP&P enrolls into Medicaid financially eligible children under its supervision who reside in DCP&P-supported substitute living arrangements, such as foster care and certain



# Medicaid Administration

subsidized adoption placements.

The Department of Banking and Insurance (DOBI), also in the Executive Branch of New Jersey State government, is responsible for regulation of health insurers.

The Medicaid Fraud Division (MFD) is a Division of the Office of the State Comptroller, and was created by statute to preserve the integrity of the Medicaid and NJ FamilyCare programs by conducting and coordinating fraud, waste, and abuse control activities for all State agencies responsible for services funded by those programs.

## Entities that determine eligibility other than the Medicaid Agency (as described under Designation and Authority)

Remove

Type of entity that determines eligibility:

- Single state agency under Title IV-A (in the 50 states or the District of Columbia) or under Title I or XVI (AABD) in Guam, Puerto Rico, or the Virgin Islands
- An Exchange that is a government agency established under sections 1311(b)(1) or 1321(c)(1) of the Affordable Care Act
- The Federal agency administering the SSI program

Provide a description of the staff designated by the entity and the functions they perform in carrying out their responsibility.

Pursuant to a 1634 agreement, the Social Security Administration determines Medicaid eligibility for Supplemental Income recipients.

Remove

Type of entity that determines eligibility:

- Single state agency under Title IV-A (in the 50 states or the District of Columbia) or under Title I or XVI (AABD) in Guam, Puerto Rico, or the Virgin Islands
- An Exchange that is a government agency established under sections 1311(b)(1) or 1321(c)(1) of the Affordable Care Act
- The Federal agency administering the SSI program

Provide a description of the staff designated by the entity and the functions they perform in carrying out their responsibility.

The Federally-Facilitated Marketplace (FFM) will be determining eligibility for Medicaid for groups of individuals whose income eligibility is determined based on MAGI income methodology and who apply through the FFM. The FFM will not be assigning an individual who is determined eligible for Medicaid whose income eligibility is determined using MAGI methodology to a specific eligibility group, determining cost-sharing (if applicable), or assigning a benefit package – functions that will be performed by the single state agency.

Add

## Entities that conduct fair hearings other than the Medicaid Agency (as described under Designation and Authority)

Remove

Type of entity that conducts fair hearings:

- An Exchange that is a government agency established under sections 1311(b)(1) or 1321(c)(1) of the Affordable Care Act
- An Exchange appeals entity, including an entity established under section 1411(f) of the Affordable Care Act

Provide a description of the staff designated by the entity and the functions they perform in carrying out their responsibility.



# Medicaid Administration

OMEA will conduct Medicaid fair hearings for individuals whose Medicaid eligibility has been denied by the Federally-facilitated Marketplace (FFM). These will be individuals whose income eligibility is determined based on MAGI income methodology and who applied for health coverage through the FFM.

Add

Supervision of state plan administration by local political subdivisions (if described under Designation and Authority)

Is the supervision of the administration done through a state-wide agency which uses local political subdivisions?

Yes  No

## State Plan Administration Assurances

A3

42 CFR 431.10  
42 CFR 431.12  
42 CFR 431.50

### Assurances

- The state plan is in operation on a statewide basis, in accordance with all the requirements of 42 CFR 431.50.
- All requirements of 42 CFR 431.10 are met.
- There is a Medical Care Advisory Committee to the agency director on health and medical services established in accordance with meeting all the requirements of 42 CFR 431.12.
- The Medicaid agency does not delegate, to other than its own officials, the authority to supervise the plan or to develop or issue policies, rules, and regulations on program matters.

Assurance for states that have delegated authority to determine eligibility:

- There is a written agreement between the Medicaid agency and the Exchange or any other state or local agency that has been delegated authority to determine eligibility for Medicaid eligibility in compliance with 42 CFR 431.10(d).

Assurances for states that have delegated authority to conduct fair hearings:

- There is a written agreement between the Medicaid agency and the Exchange or Exchange appeals entity that has been delegated authority to conduct Medicaid fair hearings in compliance with 42 CFR 431.10(d).
- When authority is delegated to the Exchange or an Exchange appeals entity, individuals who have requested a fair hearing are given the option to have their fair hearing conducted instead by the Medicaid agency.

Assurance for states that have delegated authority to determine eligibility and/or to conduct fair hearings:

- The Medicaid agency does not delegate authority to make eligibility determinations or to conduct fair hearings to entities other than government agencies which maintain personnel standards on a merit basis.

### PRA Disclosure Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-1148. The time required to complete this information collection is estimated to average 40 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.



# Medicaid Administration

V.20130917

State of NEW JERSEY

ATTORNEY GENERAL'S CERTIFICATE

**OFFICIAL** - 76 21

I certify that:

Department of Human Services is the  
single State agency responsible for:

administering the plan.

The legal authority under which the agency administers  
the plan on a Statewide basis is

Chapter 40B, New Jersey Laws of 1968  
(statutory citation)

supervising the administration of the plan by local  
political subdivisions.

The legal authority under which the agency supervises  
the administration of the plan on a Statewide basis is  
contained in

\_\_\_\_\_  
(statutory citation)

The agency's legal authority to make rules and regulations  
that are binding on the political subdivisions adminis-  
tering the plan is

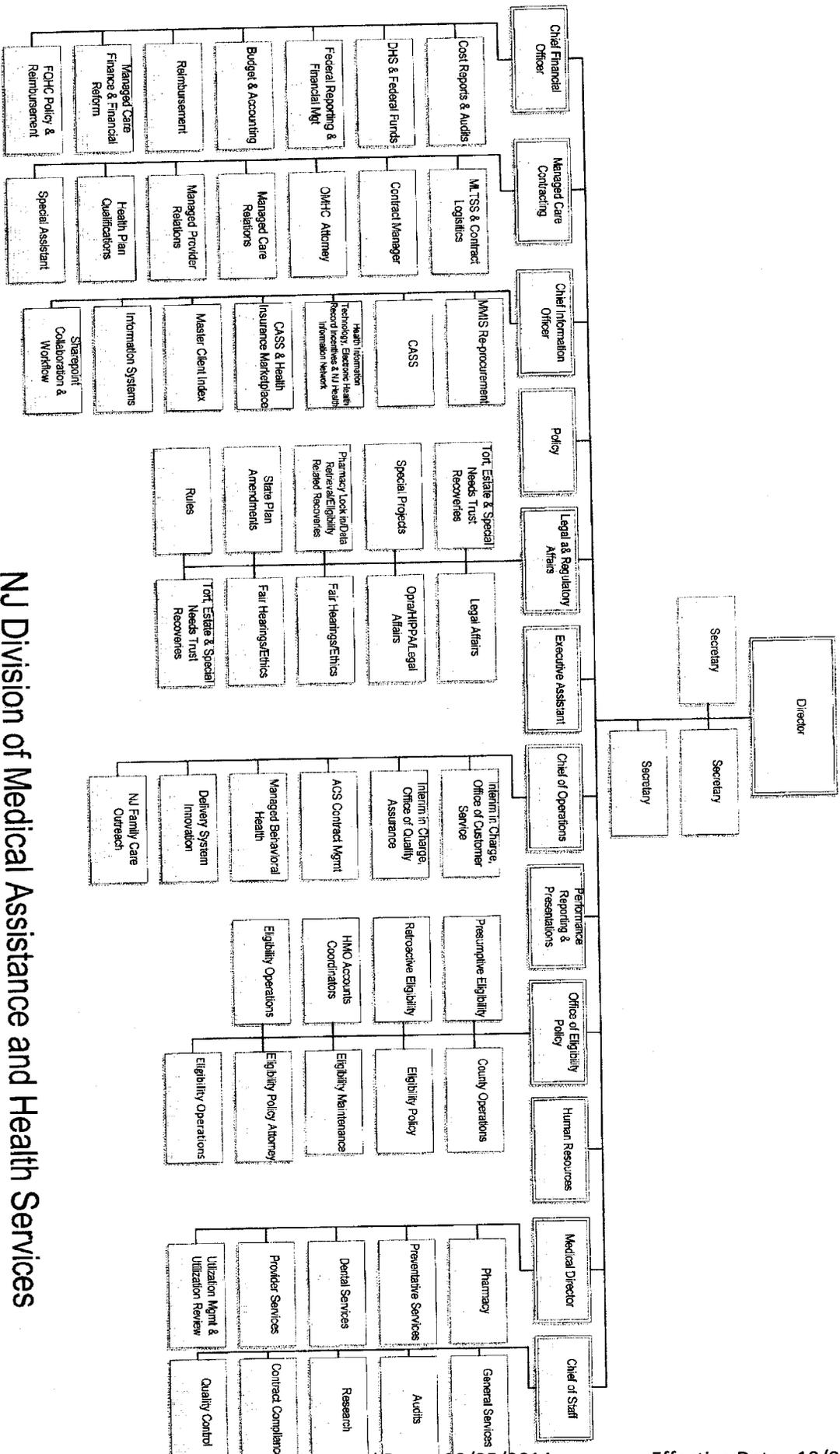
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(statutory citation)

December 1976  
DATE

Robert E. Ripstein  
Signature

Attorney General of New Jersey  
Title

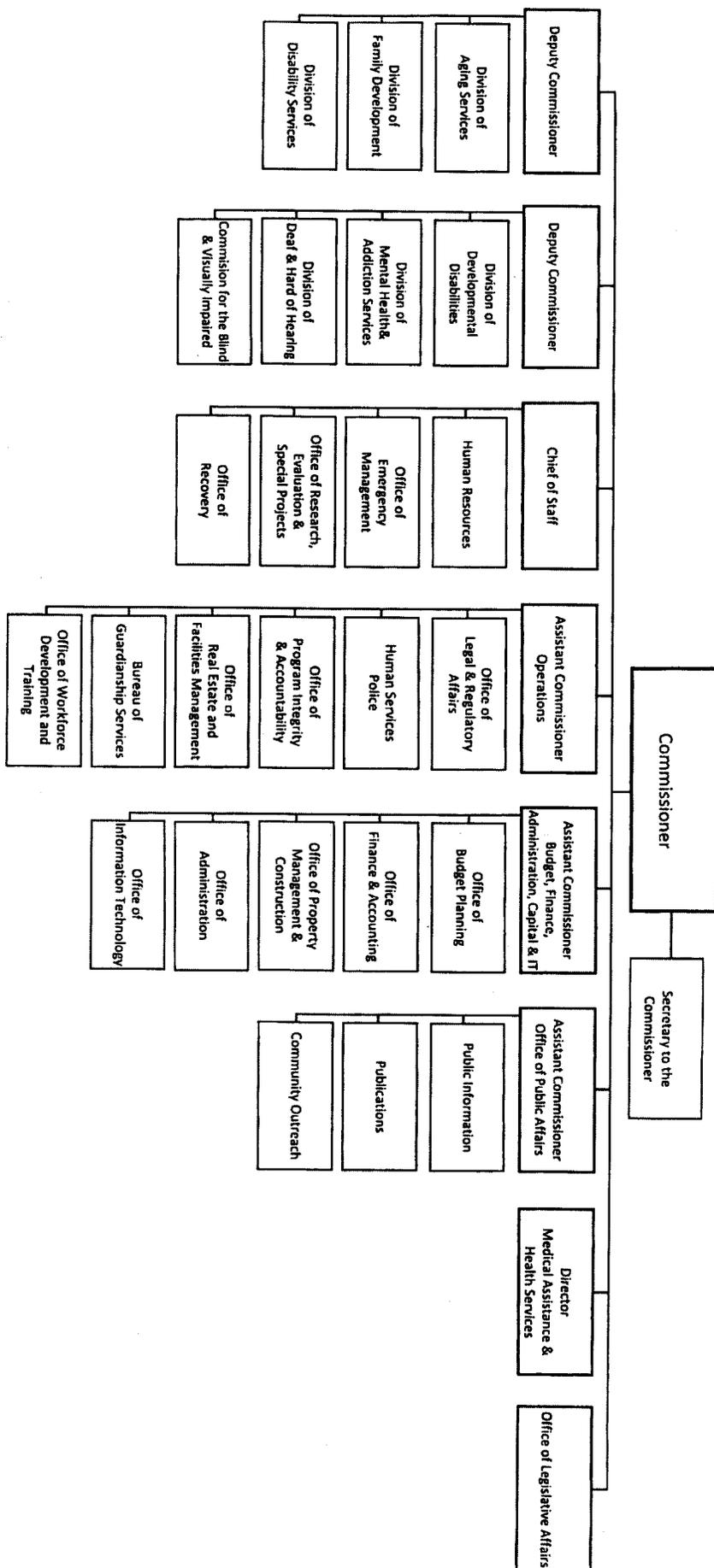
St. NJ. 12/29/76 8/12/77 Effective 4-01-76



NJ Division of Medical Assistance and Health Services

8/6/2013

# NJ DEPARTMENT OF HUMAN SERVICES



Produced by DHS Office of Publications 1/2014