

# New Jersey 1115 Demonstration Interim Report

New Jersey FamilyCare Comprehensive Demonstration Quarterly Report

Demonstration Year: 13 (July 1, 2023- June 30, 2024)

Reporting Quarter: 3 (January 1, 2024- March 31, 2024)

## Executive Summary

### I. 1115 DEMONSTRATION OVERVIEW

On March 30, 2023, CMS approved New Jersey's request to extend and amend its New Jersey FamilyCare Comprehensive Demonstration from April 1, 2023 through June 30, 2028. The Demonstration seeks to expand longstanding waiver and expenditure authorities that make up a crucial part of New Jersey's Medicaid system, including 1) the extension of managed care to include long-term services and supports (LTSS) and certain behavioral health services; 2) targeted home and community-based services (HCBS) programs for children; 3) support services and in-home community supports for individuals with intellectual and development disabilities (I/DDs); 4) expenditures for substance use disorder (SUD) services and 5) extension of full state plan benefits to postpartum individuals enrolled in Medicaid or CHIP for up to 12 months from the last day of an individual's pregnancy.

The approved Demonstration extends these authorities, among others, and allows the state to test the efficacy of innovative practices that seek to promote high-quality, evidence-based, coordinated, and integrated care. Through new initiatives and investments, New Jersey also hopes to improve coverage, access, quality of services, and health equity for Medicaid and CHIP beneficiaries. The Demonstration's ultimate goal is to enhance medical assistance and improve health across New Jersey, leading to additional populations served and services provided under Medicaid.

### II. QUARTER ACCOMPLISHMENTS, ACTIVITIES, AND MILESTONES

During this quarter, New Jersey continued the process of planning and implementation on several of the new 1115 initiatives approved as a part of the renewed Demonstration. Several key planning activities undertaken this quarter included, stakeholder outreach, drafting implementation protocols to be submitted to CMS and holding meetings with internal DMAHS staff across multiple units. Notably the extension of the Respite benefit for MLTSS caretakers from 31 to 90 days was successfully implemented, the Behavioral Health Promoting Interoperability Implementation Protocol was approved by CMS, and the needed systems changes to implement were finalized, and the HRSN Implementation Protocol was submitted to CMS for review and approval during this quarter.

Additionally, NJ FamilyCare continued to deliver services to members under ongoing initiatives of the 1115 Demonstration. The MLTSS team worked to improve the overall MLTSS data structure and design and develop an HCBS data dashboard. The Division of Developmental Disabilities (DDD) continued

implementing Electronic Visit Verification (EVV). The Children's System of Care (CSOC) under DCF continued to work with DMAHS this quarter on the expansion of CSSP eligibility.

## New Initiatives Implementation Updates

### I. SUMMARY AND ANALYSIS OF IMPLEMENTATION ACTIVITIES FOR NEW INITIATIVES

#### 1) Behavioral Health Integration Program

In anticipation of behavioral health (BH) integration, the State began drafting BH Care Management materials. The State also revised coverage changes for Behavioral Health and acute inpatient admissions. DMAHS facilitated multiple discussions, including a member focus workgroup and an internal discussion regarding health equity. DMAHS held a provider forum for Substance Use Disorder (SUD) and Mental Health (MH) independent clinicians, MH outpatient hospitals, licensed SUD and MH clinics, and SUD intensive outpatient providers on March 21, 2024.

#### 2) Continuous Eligibility

DMAHS held internal meetings to discuss the implementation of continuous eligibility for MAGI adults. DMAHS staff discussed the relevant populations which would be affected by the expansion of continuous eligibility as well as determining a methodology for calculating the percentage of individuals which will be matched at the enhanced FMAP rate, and the state's regular Title XIX FMAP rate.

#### 3) Managed Long-Term Services & Supports (MLTSS)

##### *a) Caregiver Supports: Respite*

The definition for the service was changed in the Service Dictionary to reflect the expansion from 31 days per calendar year to 90 days per calendar year. The updated definition went into effect with the January 1, 2024 MCO contract. The MCOs updated member handbooks, conducted member outreach during options counseling to reflect the change, and have begun implementing and authorizing the service accordingly.

##### *b) Caregiver Supports: Therapy*

DMAHS continued ongoing work on program design including assessment and appeal processes, provider qualifications and network adequacy requirements, estimated utilization and payment structure. Several design sessions were held both internally and with other states. DMAHS developed a one-page summary sheet outlining program design, and initiated discussions with all contracted MCOs to socialize the ideas and request feedback.

#### 4) Behavioral Health Promoting Interoperability Program (BH PIP)

Following CMS approval of the BH PIP Implementation Protocol on November 29, 2023, DMAHS finalized and executed the vendor contract for the provider outreach and technical assistance to the BH facilities participating in the program. Additionally, the enhancements to the state's attestation system were completed and are on track for stakeholder testing in the next quarter.

## 5) Quality Improvement Strategy

DMAHS and sister agencies continued to analyze the requirements of CMS's proposed rule to build a shared understanding of current reporting capabilities. Additionally, DMAHS met with program subject matter experts to begin discussing the HCBS measure set to determine feasibility of reporting specific measures in preparation for discussions with CMS. Work continued internally on the current Quality Strategies and Compliance Measures to ensure the impact of the demonstration is reported accurately. CSOC also attempted to identify an existing survey for the Experience of Care Survey for youth.

## 6) CSSP Program Expansion

DMAHS prioritized the I/DD CSSP implementation of Plan A Medicaid eligibility for I/DD Program eligible youth in the community. During this period, weekly meetings were held with CSOC and system partners to plan for the implementation which included operational impacts, IT impacts, and communications to system partners and families.

## 7) Health-Related Social Needs (HRSN)

### *a. Housing Supports*

The primary focus for the housing supports program included the development and submission of the various CMS deliverables, including the HRSN Services Protocol, HRSN Infrastructure Protocol, and the New Initiatives Implementation Plan. To that end, the HRSN Infrastructure Protocol was submitted to CMS at the end March. DMAHS began identifying potential partners to administer the capacity building funds authorized via the HRSN STCs. DMAHS also began discussions of partnering with NJ's Regional Health Hubs (RHHs) to support program design and potential providers more broadly. Potential functions explored included training, TA, and serving as an intermediary to help with questions from the provider community. DMAHS was also accepted into NASHP's Health and Housing Institute to receive expert TA to support program design and help think through the broader strategy of housing and healthcare in the state. This TA included representation for most other state departments engaged in housing and will encourage cross program collaboration. Program design was focused on a variety of elements including provider enrollment and qualifications, member journey (identification, assessments, care planning), and budget/utilization forecasting.

### *b. Nutrition Supports*

DMAHS continued ongoing weekly design sessions with a focus on beneficiary engagement and exploration of the ability to establish partnerships with key entities. DMAHS also began reviewing necessary changes to contract language and reporting requirements. Regular meetings were held with the MCOs and Money Follows the Person (MFP) partners. MFP staff have been instrumental in standing up nutritional services, which have been modeled after the supplemental services administered through that program.

### *c. Medically-Indicated Meals (MIM)*

DMAHS continued collaboration with Rutgers on the draft of the MIM evaluation design. During this quarter, DMAHS continued the development and submission of CMS deliverables, including the HRSN Services Protocol, HRSN Infrastructure Protocol, and the New Initiatives Implementation Plan. Design work for the pilot continued with internal and external stakeholder

meetings. The MIM pilot team attended the NASHP Maternal and Child Health Policy Academy to share learnings and build partnerships with other state agencies, including those involved or interested in medically tailored meal delivery

## Ongoing Initiative-Specific Reporting

### I. SUMMARY AND ANALYSIS OF IMPLEMENTATION ACTIVITIES FOR ONGOING INITIATIVES

#### A. MANAGED LONG-TERM SERVICES & SUPPORTS (MLTSS)

##### *Quarter Accomplishments, Activities, and Milestones:*

DMAHS continued regular workgroup meetings to redefine MLTSS goals and performance measures, develop an HCBS data dashboard, improve the overall MLTSS data structure and design a reinvigorated operating model. Concurrently, MLTSS continued monthly meetings with MCOs to review data submissions, monthly reports, and program operations. The MLTSS director participated in monthly interagency meetings to plan for review and response to CMS' request for heightened scrutiny review of specific facilities. Additionally, MLTSS staff have been meeting monthly with the MCOs to review their monthly report on contractual and performance measure compliance. The meetings with the MCOs allowed DMAHS to capture data and information on issues and concerns in a new organized way. For example, identifying compliance with the contract in the area of case load ratios, or utilizing data to support more robust discussions on implementing new services, such as Nutritional Supports and Caregiver Counseling.

##### *EQR PIP Update:*

DMAHS anticipates the upcoming submission of the April "Improving Coordination of Care and Ambulatory Follow-up after Mental Health Hospitalization in the MLTSS Home and Community Based Services (HCBS) Populations" (FUH) PIP update from the MCOs to the EQRO followed by DMAHS review. MLTSS QM and the EQRO were involved with ongoing discussions regarding finalizing a new MLTSS PIP topic to be introduced prior to the Annual MCO PIP Training in June of 2024.

#### B. COMMUNITY CARE PROGRAM (CCP) AND SUPPORTS PROGRAM

##### *Quarter Accomplishments, Activities, and Milestones:*

During this quarter, DDD continued Electronic Visit Verification (EVV), in compliance with the 21st Century CURES Act, which requires state Medicaid agencies to implement EVV, a web-based system that ensures beneficiaries receive services by verifying provider visits, and documenting service times. Phase 1 EVV compliance rate was 68% for DDD recipients and 78% compliance for Phase 2 EVV services. Quality Audits continue as well as responding to helpdesk emails.

In February 2024, DDD published a Request for Proposal (RFP) for the provision of capital and non-capital funds to offset costs incurred in the acquisition, development, and renovation of licensed settings (ex. Group homes) that serve newly placed individuals who are transitioning from nursing facilities to home and community- based settings (HCBS). Additionally, DDD published another RFP in February 2024 for the provision of Mobile Crisis Prevention and Response Program to serve individuals with Intellectual or Developmental Disabilities and co-occurring mental health needs based on the national START model.

### C. CHILDREN’S SUPPORT SERVICES PROGRAM (CSSP) I/DD AND SED

#### *Quarter Accomplishments, Activities, and Milestones:*

CSOC continued to enroll eligible youth and deliver services under the Children’s Support Services Program (CSSP). During this quarter, 7,624 CSSP SED youth and 454 CSSP I/DD youth were enrolled.

Additionally, CSOC met several times a week with internal and external partners regarding the processes for CSSP program expansion implementation. CSOC collaborated with internal staff from our department for awareness and to provide technical assistance on these new requirements. Youth continued to receive clinically appropriate waiver services.

## Other Updates

### DATA INFRASTRUCTURE AND HEALTH INFORMATION TECHNOLOGY:

The state HIT workgroup continues to oversee and administer the Substance Use Disorder Promoting Interoperability Program (SUD PIP) while also preparing to launch the Behavioral Health PIP under the approved 1115 Demonstration renewal. The State is also considering the addition of two new milestones under the SUD PIP: M6 – electronic Consent Management (eCMS) and M7 – Telehealth services. The participating facilities have indicated interest in these milestones to help them address the privacy concern of sharing the 42 CFR Part 2 data as well as continued care coordination with integrated telehealth capabilities through their EHRs. Additionally, updates to the state attestation system are in progress to help the facilities attest to the new milestones. Below are the attestation updates for the quarter:

- 2 facilities successfully implemented their EHR platform this quarter.
- 1 facility successfully onboarded to the state Health Information Network (NJHIN) to enhance care coordination
- 4 facilities successfully integrated with the New Jersey Prescription monitoring Program (NJMPMP) and enhanced their clinical workflow supporting safer prescribing practices.

### I. DEMONSTRATION EVALUATION

**The State is testing the following hypotheses in its evaluation of the demonstration:**

|           |  |
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| <b>A.</b> | <b><i>Expanding Medicaid managed care to include long-term care services and supports will result in improved access to care and quality of care and reduced costs, and allow more individuals to live in their communities instead of institutions.</i></b> |
|           | The evaluator continued to monitor developments related to the Managed Long-term Services and Supports program and Medicaid overall through attendance at the Medical Assistance   |

|           |  |
|-----------|--|
|           | Advisory Council meeting on January 18, 2024, a meeting on the QIPP on March 7, 2024, and an LTC Stakeholders Meeting organized by the NJ LTC Ombudsman and I Choose Home NJ on March 14, 2024.  |
| <b>B.</b> | <b><i>Providing home and community-based services to Medicaid and CHIP beneficiaries and others with serious emotional disturbance, opioid addiction, pervasive developmental disabilities, or intellectual disabilities/developmental disabilities will lead to better care outcomes.</i></b>   |
|           | During this quarter, the state's independent evaluator worked on summative report analyses using information provided by CSOC last quarter.  |
| <b>C.</b> | <b><i>Utilizing a projected spend-down provision and eliminating the look back period at time of application for transfer of assets for applicants or beneficiaries seeking long term services and supports whose income is at or below 100% of the FPL will simplify Medicaid eligibility and enrollment processes without compromising program integrity.</i></b>  |
|           | The State's independent evaluator continued communication with DMAHS regarding interpreting data that will be used in the summative report to address this hypothesis, including a meeting with DMAHS in March 2024.   |
| <b>D.</b> | <b><i>The managed care expansion will improve access to care, the quality, efficiency, and coordination of care, and the cost of care for the overall population in managed care.</i></b>  |
|           | The state's independent evaluator utilized HEDIS and CAHPS previously provided by DMAHS to continue drafting materials for the summative evaluation.<br><br>The evaluator worked to update the cost-effectiveness analysis for the summative evaluation.   |
| <b>E.</b> | <b><i>Mandating individuals who have access to employee sponsored insurance into the premium assistance program will cost the State at least 5% less than providing individuals coverage in NJFC</i></b>   |
|           | The state's independent evaluator continued to draft materials for the summative evaluation.   |
| <b>F.</b> | <b><i>Other hypotheses to address new research questions in the Demonstration renewal:</i></b> <ul style="list-style-type: none"> <li>What is the impact of providing home and community-based services to expanded eligibility groups, who would otherwise have not been eligible for Medicaid or CHIP absent the demonstration?</li> </ul> <b><i>What is the impact of providing substance use disorder services to Medicaid beneficiaries? Including paying for services rendered in an institution for mental disease (IMD)?</i></b> |
|           | <u>OAD/SUD</u> : During this quarter, the State's independent evaluator communicated via email with State subject matter experts to discuss material for the summative evaluation report regarding proper coding and interpretation of quantitative metrics.   |
| <b>G.</b> | <b><i>Evaluation of CHIP continuous enrollment – Hypothesis: Extending continuous coverage for CHIP children from March 2020 through June 2024 will result in greater coverage and higher quality of care among eligible beneficiaries during the study period of January 2020 through December 2023.</i></b>  |
|           | The independent evaluator submitted a revised evaluation design to DMAHS on March 7, 2024 for the demonstration amendment approved on September 13, 2023 regarding continuous eligibility for children in New Jersey's separate Children's Health Insurance Program (CHIP), effective for the period retroactively from March 1, 2020 and ending when all redeterminations for Medicaid and CHIP are conducted during the unwinding period.  |

For all aspects of the demonstration drawing upon Medicaid claims and encounter data, the evaluator continued running standard population indicators for 2021 and continued working on 2022 (e.g., hospitalizations) as well as exploratory work identifying relevant populations to examine demonstration hypotheses (e.g., specific service or program recipients).

### **Planning for evaluation of Demonstration 4/1/2023-6/30/2028**

The independent evaluator had numerous internal planning meetings, exploratory meetings with potential collaborators, as well as meetings with State subject matter experts to plan the evaluation of the next demonstration (April 1, 2023 to June 30, 2028), including:

- Office hour slots were offered again this quarter to all MCOs to discuss CHW pilot evaluation planning. The evaluator held an initial meeting with the one MCO that did not have a session last quarter, plus follow-up meetings with all 5 MCOs, with additional consultation provided over email.
- The evaluator attended a meeting with DMAHS staff to discuss plans containing maternal health components, in February 2024.
- The evaluator received the MCO CHW plans and designed a review process in consultation with DMAHS.

The independent evaluator submitted the following revised draft evaluation plans for the April 1, 2023 to June 30, 2028 demonstration to DMAHS for review, after receiving comments from DMAHS and other state subject matter experts:

- MLTSS (with and without HRSN)
- Qualified Income Trusts, self attestation, and OPG attestations
- ASD Pilot
- OUD/SUD
- Postpartum coverage extension
- CHW pilot
- IDD-related programs for adults, including continuing programs Supports and Community Care
- Children's System of Care continuing programs
- The NJ Home Visiting Pilot
- Medically-indicated meals pilot

## **Appendix**

### **ATTACHMENTS:**

#### **A. BUDGET NEUTRALITY WORKBOOK (SUBMITTED IN PMDA)**