

New Jersey 1115 Demonstration Interim Report

New Jersey FamilyCare Comprehensive Demonstration Quarterly Report

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

Reporting Quarter: #2 (October 1, 2023 – December 31, 2023)

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 6) 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 the second quarter of Demonstration Year 13 (DY13), the New Jersey Division of Medical Assistance and Health Services (DMAHS) continued planning and implementing newly approved 1115 initiatives. Key planning activities continued from last quarter, and new activities were undertaken across programs including holding meetings with internal and external stakeholders, developing program design and conducting research. Notably, the Implementation Protocol for the Behavioral Health Promoting Interoperability Program (BH PIP) was submitted to CMS and approved during this quarter.

Additionally, NJ FamilyCare continued to deliver services to members under ongoing initiatives of the 1115 Demonstration. The MLTSS program continued implementing the extension of the respite benefit and adjusting operations in accordance with changing federal rules. The Division of Developmental Disabilities (DDD) continued implementing Electronic Visit Verification (EVV) this quarter.

New Initiatives Implementation Updates

I. SUMMARY AND ANALYSIS OF IMPLEMENTATION ACTIVITIES FOR NEW INITIATIVES

1) Behavioral Health Integration Program

The State drafted changes to the MCO contract this quarter to strengthen behavioral health requirements for MCOs in anticipation of the integration of the services included in the first phase . DMAHS hosted the first Behavioral Health Integration Advisory Hub meeting with stakeholders on October 23, 2023 followed by a second meeting on December 21, 2023. These meetings will continue to be held bi-monthly. The quarterly BH Integration workgroup meeting also convened on November 30, 2023, to outline workgroup goals, discuss data sharing to support implementation planning and lessons learned from previous implementations.

2) Continuous Eligibility

DMAHS continued to discuss and plan the potential implementation of continuous eligibility for MAGI adults. DMAHS continued to explore a methodology for calculating the percentage of individuals which would 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

DMAHS met with all contracted MCOs to discuss changes and plan for the implementation of the respite extension from 31 to 90 calendar days during this quarter.

b) Caregiver Supports: Therapy

DMAHS continued to explore how caregiver therapy benefit would be defined, which populations would qualify for services and researched other states' implementation and operations of the service to inform NJ's service delivery model.

4) Behavioral Health Promoting Interoperability Program (BH PIP)

DMAHS made significant progress this quarter in laying the foundation toward establishing the Promoting Interoperability Program for Behavioral Health facilities in New Jersey. The key accomplishment for this quarter was the completion of the BH PIP Implementation Protocol, which was approved by CMS on November 29, 2023. Additionally, the State initiated discussions to finalize the attestation system enhancements to support the attestation submission workflow for the Behavioral Health facilities participating in the program.

5) Quality Improvement Strategy

DMAHS continued to analyze the requirements of CMS's proposed rule to build a shared understanding of current reporting capabilities as well as needed reporting in the future to design and implement these requirements. Additionally, CMS began working meetings with DMAHS and sister agencies of impacted programs to start discussions around developing performance measures using the HCBS measure set.

6) CSSP Program Expansion

During this quarter, the Children System of Care (CSOC) met with DMAHS and CMS to discuss CMS's proposed rule and various components of the HCBS measure set such as compliance and quality

measures and the Experience of Care survey as part of the Quality Improvement Strategy development described above. CSOC, along with its contracted systems administrator PerformCare (PC), and DMAHS began a series of meetings regarding implementation of the expansion and associated monitoring reporting requirements.

7) Health-Related Social Needs (HRSN)

a. Housing Supports

DMAHS continued to meet with stakeholders, state partners, external partners, and the MCOs to further refine the structure of the housing program. DMAHS set up 1:1 interviews with the partners described above to better understand the landscape of housing services and existing pain points and gaps in their programs. DMAHS also conducted an in-depth analysis to identify the gaps in the current housing service delivery eco-system to help refine the primary goals of the Medicaid program.

DMAHS added a new section and other language to the statewide MCO contract, specifically on the Housing Supports program.

Program design continued to focus on the core elements including eligibility, services, administrative structure. Additional focus was on the development of a full project plan, timeline, and key dependencies to get to launch.

b. Nutrition Supports

DMAHS continued to work with the Money Follows the Person (MFP) team to develop the definition of the service, limits, procedure codes, needed for program design. Additionally, DMAHS held stakeholder meetings with the MFP team and MCOs to ensure alignment with existing MFP services. The meetings with the MCOs helped to ensure understanding of network adequacy related to provider types for this service.

c. Medically-Indicated Meals (MIM)

DMAHS consulted with various state partners on eligibility considerations. Based on these conversations, it was determined that NJ's design preference for meal delivery to MIM pilot participants would be extended into the postpartum period. It was also determined that pilot participation would not render members ineligible for other benefits such as WIC and SNAP as long as food benefits are not in cash.

DMAHS continued conversations with MCOs in an effort to closely coordinate pilot design with existing care management practices.

DMAHS is working with Rutgers on the evaluation of the 1115 and to align the evaluation of the MIM pilot with other maternity-related components of the Demonstration.

Ongoing Initiative-Specific Reporting

I. SUMMARY AND ANALYSIS OF IMPLEMENTATION ACTIVITIES FOR ONGOING INITIATIVES

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

During this quarter, DMAHS continued the implementation of the extension of the respite benefit from 31 to 90 days per calendar year. In response to the final rules on HCBS Settings, MCO financial transparency, and HCBS access rules, which were adopted last quarter, MLTSS Operations continue to be adjusted to better align operational and quality functions.

DMAHS established and participated in regularly scheduled MLTSS redesign workgroup meetings led by a contracted consulting agency. All MLTSS units were interviewed by the agency, and all data sources and metrics were reviewed. Focusing first on metrics and data, the agency worked with the MLTSS Quality team to analyze current the data collected, measures tracked, and MLTSS oversight activities. This resulted in plans to consolidate performance measures, adjust data collection to account for data lag and produce a more “real-time” picture of MLTSS performance, especially related to member experience, service initiation and service delivery. Additionally, MLTSS will move away from collecting and reviewing data in a static manner, often as a PDF or Word file, which inhibits cross MCO comparison, proactive analysis and tracking over time. The agency and DMAHS developed a plan to re-define MLTSS performance goals and measures (building off existing work), including CMS Core Measures, requiring new data collection methods, developing a “HCBS service initiative and reliability” dashboard through linked data and evaluating and improving data infrastructure to enable self-service data access. This process will result in the development of a new operating model that fosters proactive continuous improvement and better utilizes the data developed in the above initiatives. The goal was to define MLTSS priorities with clear outcomes and goals, assess staff capabilities and training needs to better meet internal and external compliance requirements. Other areas explored were systems and tools used to identify issues, assessment of needs, escalating concerns, and implementation of enforcement actions. This began a multi-month effort to re-define the MLTSS operating model to foster data-driven decision making and better MCO partnerships. MLTSS director participated in monthly interagency meetings to plan for review and response to CMS’ request for heightened scrutiny review of specific facilities, and regular meetings were held with MCOs and MFP partners.

EQR PIP UPDATE:

Year 2 Findings of the current “Follow up after Mental Health Hospitalizations in the MLTSS HCBS Populations” (FUH) PIP were received and reviewed by DMAHS and the EQRO in August of 2023. DMAHS then received the EQRO’s feedback and scores which were calculated by the EQRO in September of 2023. DMAHS then reviewed the EQRO’s findings and provided feedback for the August PIP submissions and findings back to the EQRO. In October of 2023, DMAHS approved the August PIP submissions, along with the EQRO findings and the EQRO provided Year 2

Findings to the MCOs. DMAHS anticipates the upcoming submission of the April updates. MLTSS QM and the EQRO are involved with ongoing discussions regarding a new PIP topic to be introduced for the new PIP cycle starting in 2025. Four potential PIP Topics were are currently being discussed, aimed at clinical or non-clinical focus.

B. COMMUNITY CARE PROGRAM (CCP) AND SUPPORTS PROGRAM

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 2 was implemented last quarter, and members participated in approximately 8,000 Phase 2 visits with a 72% EVV compliance rate. Meaning that 18% of visits were entered manually or needed a manual over-ride to the initial electronic clock-in/clock-out entry. This is both an increase in visits from the previous quarter as well as an increase in compliance rate. During this quarter, the EVV checkbox in the electronic service went live. A webinar related to this change was made available along with communication with all Support Coordination Agencies. EVV services are now captured in the electronic service plan. The EVV box codes are: EVV Required, EVV Intermittent, EVV Exempt. Required means that elements of the service are always performed in the home, intermittent means that sometimes the service is performed in the home and sometimes the service is entirely in the community, and exempt means that the service is either entirely performed in the community and/or the service is being provided by a live-in-caregiver. Live-in caregivers are exempt from EVV in NJ.

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

During Q2, CSOC continued to enroll eligible youth and deliver services under the Children's Support Services Program (CSSP). During this quarter, 7,024 youth were enrolled in the CSSP SED program, and 470 youth were enrolled in the CSSP I/DD program. Additionally, CSOC began having formal meetings among stakeholders within the Medicaid expansion population regarding CSSP. There were no operational or administrative changes that impacted the CSSP program this quarter.

Other Updates

I. DATA INFRASTRUCTURE AND HEALTH INFORMATION TECHNOLOGY

The Substance Use Disorder (SUD) Promoting Interoperability program provides funding to qualifying SUD treatment providers to help them deploy or upgrade electronic health record technology. Efforts continue to outreach the SUD facilities and engage them in the Promoting Interoperability Programs. In this quarter:

- 1 facility successfully implemented their EHR platform.
- 4 facilities are successfully onboarded to the state Health Information Network (NJHIN) to enhance care coordination.

- 3 facilities successfully integrated with the New Jersey Prescription monitoring Program (NJPMP) and enhanced their clinical workflow supporting safer prescribing practices.

The facilities continue to show interest and are also re-engaging in the SUD PIP. Testing on the NJSAMS interface with the pilot facilities is ongoing. As of the end of 2023, a total of 115 facilities are actively engaged in the program. Of these, 96 facilities have completed the legal participation process, 71 have successfully implemented or upgraded their EHR technology, 45 are now connected to the NJHIN/ HIE, and 41 have successfully integrated the NJPMP within their EHRs.

II. DEMONSTRATION EVALUATION

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

A.	<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>
	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 October 25, 2023 and meetings on the QIPP on October 17, 2023, November 30, 2023 and December 19, 2023.
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>
	During this quarter, the state's independent evaluator continued discussions with the State's Children's System of Care subject matter experts regarding the development of claims-based measures for codes to flag exposure to CSOC services and details on out-of-home service use (any, length of stay, number of stays), and had a productive discussion during a meeting on October 11, 2023 with supplementary information provided by CSOC the following week.
C.	<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>
	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 state staff in October 2023.
D.	<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>
	The state's independent evaluator utilized HEDIS and CAHPS previously provided by the state to continue drafting materials for the summative evaluation. The evaluator worked to update the cost-effectiveness analysis for the summative evaluation.
E.	<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>

	The state's independent evaluator continued to draft materials for the summative evaluation.						
F.	<p><i>Other hypotheses to address new research questions in the Demonstration renewal:</i></p> <ul style="list-style-type: none"> <i>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?</i> <p><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></p>						
	<u>OOD/SUD</u> : During this quarter, the State's independent evaluator met with State subject matter experts to discuss material for the summative evaluation report, including proper coding and interpretation of quantitative metrics and how to best describe peer services. The state provided a list of key informants for interviews which were conducted in November and December.						
G.	<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>						
	<p>The independent evaluator submitted an evaluation design to DMAHS on 11/6/23 for the demonstration amendment approved on 9/13/23 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.</p> <p>CSHP proposed the hypothesis noted in the box above and the following 2 research questions.</p> <table border="1"> <thead> <tr> <th>Research Question</th><th>Methods, Data Sources, and Measures</th></tr> </thead> <tbody> <tr> <td><u>1a</u>: Did providing continuous coverage to CHIP children increase the duration of enrollment?</td><td>Quantitative analysis of enrollment duration from MMIS enrollment files</td></tr> <tr> <td><u>1b</u>: Did providing continuous coverage to CHIP children impact overall and avoidable hospitalizations?</td><td>Quantitative analysis of inpatient hospitalization and the AHRQ Pediatric Quality Overall (PDI) Composite for avoidable hospitalizations from claims/encounter data</td></tr> </tbody> </table>	Research Question	Methods, Data Sources, and Measures	<u>1a</u> : Did providing continuous coverage to CHIP children increase the duration of enrollment?	Quantitative analysis of enrollment duration from MMIS enrollment files	<u>1b</u> : Did providing continuous coverage to CHIP children impact overall and avoidable hospitalizations?	Quantitative analysis of inpatient hospitalization and the AHRQ Pediatric Quality Overall (PDI) Composite for avoidable hospitalizations from claims/encounter data
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For all aspects of the demonstration drawing upon Medicaid claims and encounter data, the evaluator continued running standard population indicators for 2021 and began 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 (4/1/2023-6/30/2028), including:

- Activities in several domains regarding CHW pilot planning
- Planning meetings with state staff in October and November 2023
- A presentation with state subject matter experts and MCO representatives to kick off the

CHW pilot discussions, in October 2023

- Planning meetings with TA provider CHCS to coordinate planning and communications, in October 2023 and December 2023
- Attending 2 TAs presentation for MCOs in November 2023
- Office hour slots were offered to all MCOs and meetings were held with 4 of 5 MCOs in November and December 2023
- State subject matter experts and colleagues from Johns Hopkins on the NJHV pilot, in December 2023
- Children's System of Care State subject matter experts in October 2023
- DMAHS staff in an in-person session to discuss several plans, in December 2023

The independent evaluator considered the planning impact of new draft HRSN guidance and submitted comments to DMAHS 11/28/23.

The independent evaluator designed and distributed an FAQ document for MCOs on the CHW pilots on 12/5/23.

Appendix

ATTACHMENTS:

A. BUDGET NEUTRALITY WORKBOOK (SUBMITTED IN PMDA)