

# **New Jersey 1115 Demonstration Interim Report**

New Jersey FamilyCare Comprehensive Demonstration Quarterly Report

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

Reporting Quarter: Q1 (July 1, 2023- September 30, 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 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, the New Jersey Division of Medical Assistance and Health Services (DMAHS) began the process of planning the implementation of several of the newly approved 1115 initiatives. Several key planning activities undertaken this quarter across programs included holding meetings with internal DMAHS staff across multiple units to start planning the implementation of new initiatives. As a part of the Behavioral Health Integration and HRSN initiatives, stakeholder engagement was initiated with several inter-governmental and external partners.

# New Initiatives Implementation Updates

## *SUMMARY AND ANALYSIS OF IMPLEMENTATION ACTIVITIES FOR NEW INITIATIVES*

### 1) Behavioral Health Integration Program

DMAHS facilitated multiple internal discussions regarding implementation planning and policy design in partnership with the Division of Mental Health and Addiction Services and other sister agencies. The state hosted a Behavioral Health (BH) Integration Stakeholder Information Session on July 24, 2023, to share an overview of the goals of the integration and the plan to engage in a robust stakeholder process while utilizing a phased implementation approach. The State also began planning for various member and provider engagement opportunities.

### 2) Continuous Eligibility

DMAHS held internal meetings to discuss the implementation of continuous eligibility for MAGI adults. DMAHS explored the relevant populations which would be affected by the expansion of continuous eligibility as well as methodologies 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 began drafting language for inclusion in the MCO Contract related to the extension of the limit on the respite benefit from 31 to 90 days as recently approved in the renewed Demonstration. DMAHS consulted stakeholders and researched other states' definitions to inform the development of contract language for NJ's MCO contract.

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

DMAHS began to explore how the caregiver therapy benefit would be defined, which populations would qualify, how eligible beneficiaries would receive the service and researched other states' operations in order to inform NJ's program design.

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

The State Health Information Technology (HIT) workgroup advanced the planning for the BH PIP program's budget and implementation. To ensure the program aligns with the needs of behavioral healthcare providers, the state finalized and conducted a HIT survey targeted at Mental Health facilities. The survey was conducted by the New Jersey Association of Mental Health & Addiction Agencies, Inc. (NJAMHAA) and evaluated EHR adoption, HIE connectivity, NJPMP access and telehealth utilization. NJAMHAA distributed the survey to 149 NJAMHAA members through multiple communication channels from July 14, 2023, through August 18, 2023, after which the survey was closed. The total number of responses returned was 38, achieving a 25.5% response rate. After analyzing the survey results, the workgroup has begun the preparation of the Implementation Protocol to finalize the milestone-based payment program for submission and approval.

### 5) Quality Improvement Strategy

DMAHS began reviewing CMS's proposed rules and convened relevant staff for the impacted programs: Managed Long Term Services and Supports (MLTSS), Children Support Services Program (CSSP), Supports and the Community Care Program (CCP). Over the next few months, NJ plans to begin analyzing the requirements and build a shared understanding of current reporting capabilities as well as needed reporting in the future to design and implement these requirements.

## 6) CSSP Program Expansion

The Children's System of Care (CSOC) began developing an internal work plan to identify the areas that would be impacted, and the staff and resources necessary to implement and operationalize the Children's Support Services Program (CSSP) Intellectual/Developmentally Disabled (I/DD) and Serious Emotional Disturbance (SED) demonstration expansion.

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

### *a. Housing Supports*

DMAHS focused on building out foundational details of the Housing Supports program following Demonstration renewal. During this period, the state developed a comprehensive set of stakeholder workgroups to aid in the design of the program. There were four separate workgroups: 1) Eligibility Criteria and Assessment Workgroup 2) Administrative Structure and Service Delivery Workgroup 3) Infrastructure and IT Systems Workgroup 4) Services and Service Dictionary Workgroup. These groups were comprised of various CBOs across the state. Each of NJ's 5 MCOs had a representative in each workgroup. The primary focus of these workgroups was to define what the housing program should include. Topics for exploration included eligibility decisions adding detail to the approved authority including which populations would be covered by this benefit, administrative structure and the use of infrastructure dollars.

### *b. Nutrition Supports*

DMAHS began working to design the Nutrition Supports benefit. The program design which was developed will include three services: 1) Nutritional Counseling 2) Short Term Grocery delivery and 3) Pantry Stocking. Meetings with the Money Follows the Person team were also held as the MFP program offers Nutritional Supports, which will be used as the foundation for development of these services in the MLTSS program.

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

The Medically Indicated Meals (MIM) pilot team began meeting with vendors and state partners already involved with food insecurity for pregnant populations in order to inform program design. These included potential vendors, as well as other state agencies such as SNAP, WIC and the newly established Office of the Food Security Advocate. The MIM team focused on conducting population research to explore potential member participation and connected with MCOs to understand existing managed care efforts in the maternal health space.

## 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:*

During this quarter, the respite benefit was extended from 31 days to 90 days per calendar year. Additionally, MLTSS program operations were adjusted to better align operational and quality functions in response to the newly adopted final rules on HCBS Settings.

##### *Performance Improvement Project (PIP) Update:*

A new PIP Topic was introduced to the Plans in June 2021. All 5 MCOs submitted new PIP Proposals on the topic of "Improving Coordination of Care and Ambulatory Follow-up after Mental Health Hospitalization in the MLTSS Home and Community Based (HCBS) Populations" in September 2021. The new PIP Proposals were accepted by the State in conjunction with the EQRO and feedback was provided to the Plans in November 2021. All 5 MCOs submitted Year 1 Findings. Year 1 Findings were reviewed by the State and reviewed and scored by the EQRO in August 2022. Year 2 updates were received by the EQRO from the MCOs in April of 2023 and were reviewed by the EQRO and DMAHS. Year 2 Findings of the current FUH (Follow Up after Hospitalization for Mental Illness) PIP were received and reviewed by DMAHS and the EQRO in August of 2023. Additionally, DMAHS then received the EQRO's feedback, and scores calculated by the EQRO in September of 2023. DMAHS then reviewed the EQRO's findings and provided feedback for the August PIP submissions and EQRO findings to the EQRO. Newly this quarter, 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.

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

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

The Division of Developmental Disabilities (DDD) implemented Phase 2 of Electronic Visit Verification (EVV) in January 2023 (DY12), in compliance with the 21st Century CURES Act , which requires state Medicaid agencies to implement Electronic Visit Verification (EVV), a web-based system that ensures beneficiaries receive services by verifying provider visits, and documenting service times. The services included in Phase 2 services were:

- Behavioral Supports
- Physical Therapy (habilitative)
- Occupational Therapy (habilitative)
- Speech, Language, Hearing Therapy (habilitative)

During this Quarter DDD individuals participated in approximately 7,000 visits for the Phase 2 services with an EVV compliance rate of approximately 65% for the Key Performance Indicator

(KPI) of no manual over-rides. DDD is targeting a KPI of 80% compliance, however the 65% compliance rate is a slight increase over the previous quarter, which was 63%.

DDD is currently at close to an 80% Compliance Rate for Phase 1 EVV services, which were:

- Individual Supports
- Community Based Supports
- In-Home Respite

DDD has been able to increase the compliance rate through reaching out to agencies that have a non-compliance rate greater than 20% and providing technical assistance.

DDD staff also conducted quality audits of providers not included in the above EVV analysis. This audit is comprised of reviewing EVV service delivery documentation to confirm that all elements of the EVV services were provided entirely in a community setting.

DDD also continues to operate an EVV helpdesk and maintains data on the questions that are submitted. Over 90% of the questions are related to billing issues. During this quarter, DDD staff continued to work with Information Technology staff to develop an “EVV box” in their electronic service plan, as Support Coordinators (SC) currently enter text in a service description box if EVV is required, however DDD cannot run reports on this text. DDD staff plans to continue working with IT staff to solve this issue.

### C. CHILDREN’S SUPPORT SERVICES PROGRAM (CSSP), INTELLECTUAL AND DEVELOPMENTAL DISABILITY PROGRAM(I/DD), AND SERIOUS EMOTIONAL DISTURBANCE PROGRAM (SED)

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

During this quarter, CSOC continued to enroll eligible youth and provide services under the CSSP, SED and I/DD Demonstration programs and focused on the implementation requirements for newly identified youth that would qualify for programs covered under the renewal.

Additionally, a rate increase for certain CSOC service providers provided by the FY24 state budget, was operationalized.

## Other Updates

### *DATA INFRASTRUCTURE AND HEALTH INFORMATION TECHNOLOGY*

Several SUD facilities have successfully completed their EHR implementation and achieved interoperability milestones this quarter.

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

Additionally, NJ FamilyCare is upgrading the New Jersey Substance Abuse Monitoring System (NJSAMS) with Fast Healthcare Interoperability Resource (FHIR) capabilities. This infrastructure upgrade will reduce

duplication of data entry by SUD providers. Data stored in NJSAMS will be shared, with the proper privacy and security process in place, and exposed and made available to be consumed by SUD EHRs.

## DEMONSTRATION EVALUATION

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

<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 state's 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 July 19, 2023, a meeting of Assisted Living Providers on July 11, 2023, and a meeting on the QIPP on August 15, 2023.
<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 Children's System of Care subject matter experts were consulted regarding the preliminary 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 provided helpful feedback in a July 2023 meeting.
<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.
<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 the state to draft materials for the summative evaluation.  The evaluator had internal discussions about how 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 utilized administrative data provided by the state last quarter 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><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></li> </ul>
	<b><u>ODD/SUD:</u></b> 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 to request a list of key informants for interviews to be

	conducted next quarter. The evaluator attended the Office Based Addiction Treatment meeting on September 11, 2023, a Quarterly Provider Meeting on September 14, 2023, and parts of an all-day virtual Opioid Summit on September 20, 2023, to support their general knowledge of state happenings.
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For all aspects of the demonstration drawing upon Medicaid claims and encounter data, the evaluator continued work on routine processing of monthly data extracts of Medicaid claims and encounter data to create the finalized calendar year 2022 file. The independent evaluator continued running standard population indicators for 2021 (e.g., hospitalizations) as well as exploration work identifying relevant populations to examine demonstration hypotheses (e.g., specific service or program recipients).

### **Planning for Evaluation of Demonstration**

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:

- Rutgers Bloustein School colleagues on possibilities for use of eviction data in July 2023
- MLTSS State subject matter experts in July 2023
- State subject matter experts and colleagues from Johns Hopkins on the NJHV pilot, in July 2023
- ASD Pilot State subject matter experts in August 2023
- Children's System of Care State subject matter experts in July 2023
- Division of Developmental Disabilities, State subject matter experts in August 2023
- Collaborators at Johns Hopkins University on NJ Home Visiting Pilot in September 2023

The independent evaluator submitted the following draft evaluation plans for April 1, 2023, to June 30, 2028, demonstration to DMAHS for review:

- IDD-related programs for adults, including continuing programs Supports and Community Care on 7/14/23
- Children's System of Care continuing programs, on 8/4/23
- Housing supports, on 8/7/23
- Qualified Income Trusts, self-attestation, and OPG attestations, on 8/26/23
- The NJ Home Visiting Pilot, on 9/21/23
- Medically indicated meals pilot, on 9/26/23

## **Appendix**

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