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**State/Territory Name: New Jersey**

**State Plan Amendment (SPA) #: 21-0013**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop S2-26-12  
Baltimore, MD 21244-1850



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**Financial Management Group**

December 6, 2021

Jennifer Jacobs  
Assistant Commissioner  
Department of Human Services  
Division of Medical Assistance and Health Services  
State of New Jersey  
P.O. Box 712  
Trenton, New Jersey 08625

RE: State Plan Amendment (SPA) TN 21-0013

Dear Ms. Jacobs:

We have reviewed the proposed amendment to Attachment 4.19-D of your Medicaid State Plan submitted under transmittal number (TN) 21-0013. Effective for the period July 1, 2021 through June 30, 2022, this amendment authorizes fee-for-service rate increase in the aggregate amount of \$4,071,430 for Class I, Class II and Class III nursing facilities.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30) and 1903(a) of the Social Security Act and the implementing Federal regulations at 42 CFR Part 447. This letter is to inform you that New Jersey 21-0013 is approved effective July 1, 2021. The CMS-179 and approved plan pages are enclosed.



If you have any questions, please contact Novena James-Hailey at (617) 565-1291 or [Novena.JamesHailey@cms.hhs.gov](mailto:Novena.JamesHailey@cms.hhs.gov).

Sincerely,

A solid black rectangular box used to redact the signature of the official.

For  
Rory Howe  
Director

Enclosures

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>		1. TRANSMITTAL NUMBER:  <b>21-0013 MA NJ</b>	2. STATE  <b>New Jersey</b>
<b>FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES</b>		3. PROGRAM IDENTIFICATION: <b>TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)</b>	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE AND MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE <b>July 1, 2021</b>	
5. TYPE OF PLAN MATERIAL <i>(Check One)</i> :  <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT			
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT <i>(Separate Transmittal for each amendment)</i>			
6. FEDERAL STATUTE/REGULATION CITATION:  <b>Social Security Act Section 1902(a)(13)</b>		7. FEDERAL BUDGET IMPACT  <b>FFY 2021 \$ 1,017,857</b> <b>FFY 2022 \$ 3,053,572</b>	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  <b>Attachment 4.19-D Page 39-40</b> <b>Attachment 4.19-D Page 1</b>		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT <i>(If Applicable)</i> : <b>new</b> <b>Same</b>	
10. SUBJECT OF AMENDMENT: <b>SFY 2022 Nursing Facility Reimbursement</b>			
11. GOVERNOR'S REVIEW <i>(Check One)</i> : <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
<input checked="" type="checkbox"/> OTHER, AS SPECIFIED: <b>Not required, pursuant to 7.4 of the Plan</b>			
12. SIGNATURE OF STATE AGENCY OFFICIAL:  Digitally signed by Sarah Adelman Date: 2021.09.28 10:50:14 -04'00'		16. RETURN TO:  <b>Jennifer Langer Jacobs, Assistant Commissioner Division of Medical Assistance and Health Services P.O. Box 712, #26 Trenton, NJ 08625-0712</b>	
13. TYPED NAME: <b>Sarah Adelman</b>		<b>Jennifer Langer Jacobs, Assistant Commissioner Division of Medical Assistance and Health Services P.O. Box 712, #26 Trenton, NJ 08625-0712</b>	
14. TITLE: <b>Acting Commissioner</b>			
15. DATE SUBMITTED: September 30, 2021 9/30/21			
<b>FOR REGIONAL OFFICE USE ONLY</b>			
17. DATE RECEIVED: September 30, 2021		18. DATE APPROVED: December 6, 2021	
<b>PLAN APPROVED – ONE COPY ATTACHED</b>			
19. EFFECTIVE DATE OF APPROVED MATERIAL: July 1, 2021		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: Rory Howe		22. TITLE: Director, Financial Management Group	
23. REMARKS:			

**NURSING FACILITY REIMBURSEMENT  
COST REPORT, RATE CALCULATION AND REPORTING SYSTEM  
FOR LONG-TERM CARE FACILITIES**

**NURSING FACILITY REIMBURSEMENT**

The State has in place a public process which complies with the requirements of Section 1902(a)(13)(A) of the Social Security Act

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
NURSING HOME REIMBURSEMENT

STATE: New Jersey

**Section 22 cont'd. Payments for Medical Assistance Recipients**

Payments for Medical Assistance Recipients - Nursing facilities for the period of July 1, 2021, through June 30, 2022, are subject to the following conditions:

(1) Class I (private), Class II (county), and Class III (special care) nursing facilities being paid on a fee-for-service basis shall be reimbursed at a per diem rate no less than the rate received on June 30, 2020, plus ten percent, minus the first provider tax add-on and any performance add-on amounts, plus a per diem adjustment that shall be calculated based upon an additional \$4,071,430;

(2) the additional \$4,071,430 shall be distributed to nursing facilities as a \$3.60 increase to each facility's per diem rate received on July 1, 2021;

(3) a facility that uses less than sixty percent of the ten percent rate adjustment for the sole purpose of maintaining or increasing wages of staff providing direct care and fails to provide wage and cost data in a manner and form prescribed by the Commissioner of the Department of Human Services shall return any of the sixty percent amount not used for such purpose;

(4) a facility that fails to use the remainder of the ten percent rate adjustment for the sole purpose of COVID-19 infection control preparedness and response shall return twenty percent of the ten percent increase if the facility is cited by the Department of Health for two or more repeat infection control violations during the fiscal year; and

(5) each Class I, Class II, and Class III nursing facility that has, not later than November 17, 2020, submitted to the Department of Human Services (DHS) the DHS Fiscal Year 2022 CoreQ Long-Stay Survey Size Calculation Grid with affirmative answers, as defined by the Department, to validated Hospital Utilization Tracking system use, CoreQ vendor intent, and completion of the CoreQ Long-Stay Survey sample size calculation and, if eligible for CoreQ, not later than November 27, 2020, submitted demographics to

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TN 21-0013

Supersedes  
TN NEW

Approval Date: December 6, 2021

Effective Date: July 1, 2021

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
NURSING HOME REIMBURSEMENT

STATE: New Jersey

**Section 22 cont'd. Payments for Medical Assistance Recipients**

the CoreQ vendor to initiate the CoreQ survey process:

(a) shall receive a performance add-on of \$.60 for each of the following CMS nursing home long stay quality measures where the nursing facility has not failed to report data for any of the reporting periods Q1 2019, Q2 2019, Q3 2019 and Q4 2019, and the simple average of the quarters, as calculated by the Department with available data, is at or below the national average, as calculated by CMS, for the percentage of long stay residents who are: physically restrained, receiving antipsychotic medication, experiencing one or more falls with major injury, and high risk residents with a pressure ulcer:

(b) shall receive a performance add-on of \$.60 if the percentage of long-stay residents who are assessed and/or given, appropriately, the influenza vaccination is at or above the national average for the 2019 CMS reporting year, and (c) shall receive a performance add-on of \$.60 if the nursing facility has been deemed eligible to participate in the CoreQ survey process as determined by the Department and received a composite score of 75 percent or greater on the CoreQ Resident and Family Experience Survey for the fiscal year 2022 survey period.

For the purposes of this paragraph, a nursing facility's per diem reimbursement rate or negotiated rate shall not include, if the nursing facility is eligible for reimbursement, the difference between the full calculated provider tax add-on and the quality-of-care portion of the provider tax add-on, which difference shall be payable as an allowable cost pursuant to subsection d. of section 6 of P.L.2003, c.105 (C.26:2H-97). The add-ons used for fiscal year 2021 shall be applied from July 1, 2021, through September 30, 2021, and the first add-on shall be applied to both the facility's negotiated rates and fee-for-service per diem reimbursement rates effective October 1, 2021.

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TN 21-0013

Supersedes  
TN NEW

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