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State/Territory Name: NJ

State Plan Amendment (SPA) #: 23-0019

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 & HUMAN SERVICES

Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S3-14-28
Baltimore, Maryland 21244-1850



Financial Management Group

December 19, 2023

Carole Johnson
Commissioner
Medical Assistance and Health Services
Department of Human Services
CN 12 Quakerbridge Plaza
Trenton, New Jersey 08625-0712

RE: NJ 23-0019

Dear Ms. Johnson,

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State Plan submitted under transmittal number (TN) 23-0019. This SPA includes revises payment for out-of-state pediatric hospital services.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1923 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 23-0019 is approved effective July 1, 2023. The CMS-179 and approved plan pages are enclosed.

If you have any additional questions or need further assistance, please contact Douglas Spitler at Douglas.Spitler@cms.hhs.gov

Sincerely,

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

Rory Howe
Director

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

2 3 — 0 0 1 9

2. STATE

NJ

3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT

XIX XXI

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

July 1, 2023

5. FEDERAL STATUTE/REGULATION CITATION

42 U.S. C. 1396a(a)(30)(A)

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2023 \$ 104,638
b. FFY 2024 \$ 418,550

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19A Section III-2

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

same

9. SUBJECT OF AMENDMENT

Payments to Out-of-state Pediatric Hospitals

10. GOVERNOR'S REVIEW (Check One)

- GOVERNOR'S OFFICE REPORTED NO COMMENT
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED:

11. SIGNATURE OF STATE AGENCY OFFICIAL

[Redacted Signature]

12. TYPED NAME

Sarah Adelman

13. TITLE

Commissioner, Department of Human Services

14. DATE SUBMITTED

9/29/23

15. RETURN TO

Jennifer Langer Jacobs, Assistant Commissioner
Division of Medical Assistance and Health Services
P.O. Box 712, Mail Code #26
Trenton, NJ 08625-0712

FOR CMS USE ONLY

16. DATE RECEIVED

9/29/2023

17. DATE APPROVED

December 19, 2023

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL

July 1, 2023

19. SIGNATURE OF APPROVING OFFICIAL

[Redacted Signature]

20. TYPED NAME OF APPROVING OFFICIAL

Rory Howe

21. TITLE OF APPROVING OFFICIAL

Director, Financial Management Group

22. REMARKS

**Attachment 4.19 – A
Out of State Hospitals
Section III-2**

**STATE PLAN UNDER XIX OF THE SOCIAL SECURITY ACT
Reimbursement for Out-of-State Hospitals**

is a copy of the letter sent by the State Medicaid Agency to the hospital specifying the Medicaid rate.

- c) In the event an out-of-State acute care general hospital does not participate in the Medicaid program in the state where the hospital is located or has not established a rate with the State Medicaid agency, reimbursement for inpatient services shall be at the lesser of the established DRG payment rate for NJ acute care hospitals as described at Attachment 4.19-A Section I, (excluding add-on amounts), a rate negotiated with the Division at the time of enrollment for inpatient hospital services, or the total charges reflected on the claim.

- d) For services beginning on July 1, 2023 payments to out-of-state pediatric hospitals whose number of discharges were within the first quartile of New Jersey Medicaid pediatric patient days in calendar year 2021 and that would otherwise be reimbursed at the established Diagnosis Related Groups payment rate described in N.J.A.C.10:52-14 shall be reimbursed at 100 percent of the established Medicaid claim-specific reimbursement methodology in the state in which the hospital is licensed, not to exceed a 50 percent increase above the established New Jersey fee-for-service payment amount.

23- 0019 MA (NJ)

TN: 23- 0019 MA (NJ)

Approval Date: December 19, 2023

SUPERCEDES: TN: 12-07 MA (NJ)

Effective Date: July 1, 2023