

## **Table of Contents**

**State/Territory Name: NJ**

**State Plan Amendment (SPA) #: 25-0002**

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  
Center for Medicaid & CHIP Services  
230 South Dearborn  
Chicago, Illinois 60604



**Financial Management Group**

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May 29, 2025

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

RE: TN 25-0002

Dear Director Woods:

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed New Jersey state plan amendment (SPA) to Attachment 4.19-B 25-0002, which was submitted to CMS on March 21, 2025. This amendment reimburses Opioid Treatment Programs (OTPs) for the delivery and provision of Methadone medication assisted treatment in a rehabilitation setting or long-term care setting.

We reviewed your SPA submission for compliance with statutory requirements including in sections 1902(a)(2), 1902(a)(13), 1902(a)(30), and 1903 as it relates to the identification of an adequate source for the non-federal share of expenditures under the plan, as required by 1902(a)(2), of the Social Security Act and the applicable implementing Federal regulations.

Based upon the information provided by the state, we have approved the amendment with an effective date of March 1, 2025. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact Matthew Klein at 214-767-4625 or [matthew.klein@cms.hhs.gov](mailto:matthew.klein@cms.hhs.gov).

Sincerely,

A black rectangular box redacting the signature of Todd McMillion.

Todd McMillion  
Director  
Division of Reimbursement Review

Enclosures

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

1. TRANSMITTAL NUMBER

2 5 — 0 0 0 2

2. STATE

NJ

3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL

SECURITY ACT ☒ XIX ☐ XXI

TO: CENTER DIRECTOR

CENTERS FOR MEDICAID &amp; CHIP SERVICES

DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

March 1, 2025

5. FEDERAL STATUTE/REGULATION CITATION

~~42 U.S.C. 1396a(a)(30)(A)~~ 1905(a)(13), 42 CFR 440.130

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2025 \$ 68,119 72,311b. FFY 2026 \$ 446,776 123,962

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-B Page 36a

Supplement 1 to Attachment 4.19 – B Page 6, 6a

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

same

same

9. SUBJECT OF AMENDMENT

Reimbursement for Opioid Treatment Program (OTP) Delivery of Methadone to Residential Settings

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

12. TYPED NAME

Sarah Adelman

13. TITLE

Commissioner, Department of Human Services

14. DATE SUBMITTED

3/21/25

15. RETURN TO

Gregory Woods, 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

03/21/2025

17. DATE APPROVED

May 29, 2025

**PLAN APPROVED - ONE COPY ATTACHED**

18. EFFECTIVE DATE OF APPROVED MATERIAL

03/01/2025

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL

Todd McMillon

21. TITLE OF APPROVING OFFICIAL

Director, Division of Reimbursement Review

22. REMARKS

4/18/25: CMS: State confirms a P&amp;I change to item 5 to reflect the correct 1905(a) service, Rehabilitative services (1905(a)(13).

5/20/25: State confirms a P&amp;I change to item 6 to reflect the correct budget impact figures for fiscal years 2025 and 2026.

5/21/25: State confirms a P&amp;I change to item 7 to reflect the additional page 6a.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
STATE OF NEW JERSEY

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES FOR NON-  
INSTITUTIONAL SERVICES  
FEE SCHEDULE EFFECTIVE DATES AND LINKS (Cont'd)

- **Outpatient Psychiatric Services Only:**

Except where otherwise noted, the fees in the State's fee schedules referenced in Attachment 4.19-B below were set on March 1, 2025 and are effective for services provided on or after that date. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of the Medicaid services listed below. Services for both ABP and non-ABP beneficiaries utilize the same rates unless otherwise noted in the plan.

All applicable procedure code listings and/or rates are published on the State's website at [www.njmmis.com](http://www.njmmis.com) under the link for 'Rate and Code Information' and can be found in the following locations:

- **Location: Medicaid Fee Schedules:**
- **Location: Procedure Master Listing – Medicaid Fee for Service - CY 2025 (last updated in SPA 25-0002 effective 3/1/2025)**
- **Description:** Main file of procedure codes billable to Medicaid for all services except as listed below.

**Home Health Rates Only:**

Except where otherwise noted, the fees in the State's fee schedules referenced in Attachment 4.19-B below were set on January 1, 2025 and are effective for services provided on or after that date. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of the Medicaid services listed below. Services for both ABP and non-ABP beneficiaries utilize the same rates unless otherwise noted in the plan.

All applicable procedure code listings and/or rates are published on the State's website at [www.njmmis.com](http://www.njmmis.com) under the link for 'Rate and Code Information' and can be found in the following locations:

- **Location: Skilled Nursing Service Rates – Statewide and Provider Specific Rates**
- **Description:** File containing Revenue Codes and rates for statewide Home Health services as described on Page 6a of this Section.

**25-0002 MA (NJ)**

**TN: 25-0002**

**Approval Date:** May 29, 2025

**SUPERCEDES: 25-0001**

**Effective Date:** March 1, 2025

**STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
STATE OF NEW JERSEY**

**METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES-OTHER  
TYPES OF CARE**

**Reimbursement for Rehabilitation Services – Mental Health Community Services**

Substance Use Disorder non-Hospital based Detox

Substance Use Disorder Short-Term Residential

Substance Use Disorder Partial Care

Substance Use Disorder Intensive Outpatient (Non-Hospital)

Substance Use Disorder Outpatient (Non-Hospital)

Medication Assisted Treatment

Methodology of rates:

Substance abuse services listed above will be reimbursed on a fee-for-service basis utilizing HCPCS codes. Outpatient services will be reimbursed utilizing the fee schedule for like outpatient mental health services with common HCPCS codes rendered in an independent clinic setting. Non-medical detox, short-term residential, partial care, and intensive outpatient services will be reimbursed on a per diem basis and medication assisted treatment at a weekly bundled rate (methadone \$153.11 and non-methadone at \$210.55) at rates that align reimbursement with the cost of adherence to Division of Mental Health and Addiction Services (DMHAS) facility standards for each level of care including staffing credentials, staff to client ratios, and clinical contact hours.

In order to support continuity of care, the preparation and delivery of Opioid Treatment Program (OTP) medications to residential settings shall utilize a weekly bundled rate. For OTP medication services provided to members in a substance use rehabilitation or long-term care setting, a bundled rate shall be based on the preparation cost, medication cost and transportation costs of the methadone. Transportation costs are established for trips totaling less than 50 miles one way and over 50 miles one-way. The rate is based on the mileage standard per person and billed one time per 7 days. The total cost consists of seven days of methadone and the estimated cost of preparing the medication for transport. Driving time is the hourly rate of a driver divided by 2 (the estimated number of members per facility) and a fixed mileage cost estimated for the round trip. Mileage estimates are based on 30 miles average for the less than 50mile rate and 70 miles average for over the over 50 miles rate. In order to bill the bundled rate, the member must receive up to seven doses of medication per week. This bundled rate does not cover room and board or any services that are included in the residential scope of service. Services included in the bundle cannot be billed separately. Medicaid providers are free to bill for services outside of the services

**STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
STATE OF NEW JERSEY**

**METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES-OTHER  
TYPES OF CARE**

**Reimbursement for Rehabilitation Services – Mental Health Community Services**

included in the bundled rate. The state will periodically monitor the provision of services paid under the bundled rate to ensure beneficiaries receive the services required to meet their medication therapy needs and to ensure the rates remain economical and efficient based on the provision of medication assisted treatment.

The effective date, the applicable fee schedules, and link to their electronic publication, can be found on page 36a of Attachment 4.19-B of the State Plan. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of Medicaid services listed above. Services for both ABP and non-ABP beneficiaries utilize the same rates unless otherwise noted in the plan. All applicable procedure code listings and/or rates are published on the State's website at [www.njmmis.com](http://www.njmmis.com) under the link for "Rates and Code Information" and Medicaid fee for services sections.

**TN: 25-0002**

**SUPERCEDES: 23-0021**

**Approval Date:** May 29, 2025

**Effective Date:** March 1, 2025