

## **Table of Contents**

**State/Territory Name: New Jersey**

**State Plan Amendment (SPA) NJ: 25-0006**

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



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**Financial Management Group**

May 14, 2026

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

Reference: TN NJ-25-0006

Dear Assistant Commissioner Woods,

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) NJ-25-0006. This amendment revises the distribution of Graduate Medical Education (GME) and Indirect Medical Education (IME) payments for State Fiscal Year 2026.

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 447 Subpart C.

This is to inform you that Medicaid State plan amendment NJ-24-0009 is approved effective July 1, 2025. The CMS-179 and the amended plan page(s) are attached.

If you have any additional questions or need further assistance, please contact Blake Holt at (303)-844-6218 or [Blake.Holt@cms.hhs.gov](mailto:Blake.Holt@cms.hhs.gov).

Sincerely,



Director  
Financial Management Group

Enclosures

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

1. TRANSMITTAL NUMBER 2 5 — 0 0 0 6 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, 2025

5. FEDERAL STATUTE/REGULATION CITATION  
Social Security Act 1902(a)(13)

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)  
a. FFY 2025 \$ 37,165,761  
b. FFY 2026 \$ 111,497,282

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT  
Attachment 4.19-A Pages I-227(d) and (e) and (e)(1)

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)  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

9. SUBJECT OF AMENDMENT  
SFY 2026 Graduate Medical Education (GME) Distribution Methodology

10. GOVERNOR'S REVIEW (Check One)  
 GOVERNOR'S OFFICE REPORTED NO COMMENT  OTHER, AS SPECIFIED:  
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED  
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

11. SIGNATURE OF STATE AGENCY OFFICIAL  
[Redacted]

12. TYPED NAME  
Sarah Adelman

13. TITLE  
Commissioner, Department of Human Services

14. DATE SUBMITTED  
9/26/25

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  
September 26, 2025

17. DATE APPROVED  
May 14, 2026

**PLAN APPROVED - ONE COPY ATTACHED**

18. EFFECTIVE DATE OF APPROVED MATERIAL  
July 1, 2025

19. SIGNATURE OF APPROVING OFFICIAL  
[Redacted]

20. TYPED NAME OF APPROVING OFFICIAL  
Rory Howe

21. TITLE OF APPROVING OFFICIAL  
Director, FMG

22. REMARKS

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
State of New Jersey  
Reimbursement for In-State Acute Care Inpatient Hospital Services Graduate Medical  
Education (GME) and Indirect Medical Education (IME)

**12.4 Distribution of Graduate Medical Education (GME) Made on Behalf of  
Individuals enrolled in New Jersey’s Comprehensive Waiver (NJCW)  
Demonstration.**

- (a) Effective for State Fiscal Year (SFY) 2026, \$218,000,000 in GME payments (paid in 12 equal monthly payments) made on behalf of individuals enrolled in the NJCW Demonstration shall be distributed to all eligible acute care teaching hospitals according to the following table. An eligible acute care teaching hospital is defined as any acute care hospital with GME interns and residents Full Time Equivalencies (FTEs).

HOSP NO	HOSPITAL NAME	SFY 2026 GME
1	Hackensack University Medical Center	\$10,278,065
2	Newark Beth Israel Medical Center	\$16,635,555
3	Hackensack UMC- Palisades	\$2,152,468
5	Hunterdon Medical Center	\$343,818
6	St. Mary's General Hospital	\$1,932,171
9	Clara Maass Medical Center	\$73,358
10	Penn Medicine Princeton Medical Center	\$382,414
14	Cooper Hospital/University MC	\$32,937,608
15	Morristown Medical Center	\$5,730,700
16	CarePoint Health - Christ Hospital	\$648,326
19	St. Joseph's University Medical Center	\$13,785,196
25	CarePoint Health - Bayonne Medical Center	\$974,099
27	Trinitas Regional Medical Center	\$2,998,463
29	Virtua Our Lady of Lourdes Hospital	\$2,943,569
31	Deborah Heart and Lung Center	\$807,171
38	Robert Wood Johnson University Hospital	\$15,818,207
40	CarePoint Health - Hoboken University Medical Center	\$1,657,971
41	Community Medical Center	\$1,562,979
44	Capital Health Medical Center - Hopewell	\$1,938,213

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
State of New Jersey  
Reimbursement for In-State Acute Care Inpatient Hospital Services Graduate Medical  
Education (GME) and Indirect Medical Education (IME)

45	Englewood Hospital and Medical Center	\$1,747,894
48	RWJ University Hospital - Somerset	\$443,407
50	St. Clare's Hospital	\$778,887
51	Overlook Medical Center	\$1,999,453
52	Ocean Medical Center	\$1,865,657
54	Hackensack University MC - Mountainside	\$1,667,852
57	Virtua-Mem. Hospital of Burlington County	\$395,129
58	New Bridge Medical Center	\$1,820,737
60	St. Luke's Warren Hospital	\$444,909
61	Virtua Willingboro Hospital (Lourdes MC of Burlington)	\$24,174
69	Inspira Medical Center - Elmer	\$2,138,666
70	St. Peter's University Hospital	\$4,853,849
73	Jersey Shore University Medical Center	\$6,955,717
74	Jersey City Medical Center	\$5,164,230
75	Monmouth Medical Center	\$7,491,468
76	St. Barnabas Medical Center	\$6,422,526
92	Capital Health Regional Medical Center	\$4,512,932
96	St. Michael's Medical Center	\$4,084,735
108	JFK Medical Center/A M Yelencsics	\$1,774,885
111	CentraState Medical Center	\$317,529
119	University Hospital	\$30,306,316
220	Virtua - West Jersey Health System	\$1,037,319
324	Inspira Medical Center - Vineland	\$8,190,477
390	Raritan Bay Medical Center	\$1,558,898
640	Atlanticare Regional Medical Center	\$3,448,765
860	Jefferson Hospitals	\$4,953,238
<b>TOTAL</b>		<b>\$218,000,000</b>

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
State of New Jersey

Reimbursement for In-State Acute Care Inpatient Hospital Services Graduate Medical  
Education (GME) and Indirect Medical Education (IME)

- (b) Distribution of GME in the Event of a Hospital Closure or Hospital Acquisition During or After SFY 2026: In the event of a hospital closure or hospital acquisition, GME allocations that would have been provided to the closed hospital are to be redistributed to the acquiring hospital. If the acquiring hospital is not receiving GME FTEs from the closed or acquired hospital, the GME amount will be redistributed to all eligible hospitals by applying the current SFY GME payment formula excluding the closed or acquired hospital from the payment formula.
- (c) GME payments made to providers as referenced above are made pursuant to 42 CFR §438.60.
- (d) The New Jersey GME formula adopts the Medicare DGME logic for calculating direct training costs, using per-resident cost × resident FTEs × Medicaid share of managed care days; and replicates the Medicare IME formula exactly, applying it to Medicaid managed care encounters instead of Medicare IPPS payments.

The State's formula also splits funding proportionally between DME and IME, as Medicare does via separate payment mechanisms.

The result is a Medicare-modeled GME system, adapted for Medicaid managed care populations and calibrated to a fixed annual subsidy amount.

- (e) Appeal process for distribution of GME.