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State/Territory Name: New Jersey

State Plan Amendment (SPA) NJ: 26-0011

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

October 27, 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-26-0011

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-26-0011. This amendment revises the distribution of Graduate Medical Education (GME) and Indirect Medical Education (IME) payments for State Fiscal Year 2027.

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-26-0011 is approved effective July 1, 2026. 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.

Sincerely,

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

Rory Howe
Director
Financial Management Group

Enclosures

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

1. TRANSMITTAL NUMBER

2 6 — 0 0 1 1

2. STATE

N J3. 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, 2026

5. FEDERAL STATUTE/REGULATION CITATION

Social Security Act 1902(a)(13)

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2026 \$ 37,051,900b. FFY 2027 \$ 111,155,710

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-A Pages I-227(d), (e), and (e)1

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION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

Same

9. SUBJECT OF AMENDMENT

SFY 2027 Graduate Medical Education - (GME) Program

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

Stephen Cha, MD, MHSR

13. TITLE

Commissioner, Department of Human Services

14. DATE SUBMITTED

09/28/2026

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 28, 2026

17. DATE APPROVED

October 27, 2026

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL

July 1, 2026

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL

Rory Howe

21. TITLE OF APPROVING OFFICIAL

Director, Financial Management Group

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) 2027, \$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).

NJ Department of Health SFY 2027 Graduate Medical Education (GME) Subsidy Allocations July 1, 2026 - June 30, 2027 Subsidy Total: \$218 Million		
HOSP NO	HOSPITAL NAME	SFY 2027 GME
1	Hackensack University Medical Center	\$10,468,323
2	Newark Beth Israel Medical Center	\$17,207,330
3	Hackensack UMC- Palisades	\$1,514,346
5	Hunterdon Medical Center	\$285,388
6	St. Mary's General Hospital	\$2,896,991
9	Clara Maass Medical Center	\$58,996
10	Penn Medicine Princeton Medical Center	\$337,991
12	Valley Hospital	\$73,430
14	Cooper Hospital/University MC	\$32,085,269
15	Morristown Medical Center	\$6,185,172
19	St. Joseph's University Medical Center	\$12,332,238
25	Bayonne University Hospital	\$1,106,534
27	Trinitas Regional Medical Center	\$2,838,523
29	Virtua Our Lady of Lourdes Hospital	\$3,386,645
31	Deborah Heart and Lung Center	\$668,817
38	Robert Wood Johnson University Hospital	\$16,474,751

TN: 26-0011 MA (NJ)

Approval Date: October 27, 2026

Supersedes: TN: 25-0006 MA (NJ)

Effective Date: 7/1/26

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)

40	Hoboken University Hospital	\$1,715,763
41	Community Medical Center	\$1,991,862
44	Capital Health Medical Center - Hopewell	\$2,673,110
45	Englewood Hospital and Medical Center	\$1,720,723
48	RWJ University Hospital - Somerset	\$360,091
50	St. Clare's Hospital - Denville	\$1,438,218
51	Overlook Medical Center	\$2,242,538
52	Ocean Medical Center	\$1,631,957
54	Hackensack University MC - Mountainside	\$1,582,383
57	Virtua-Mem. Hospital of Burlington County	\$495,627
58	New Bridge Medical Center	\$1,463,417
60	St. Luke's Warren Hospital	\$386,626
61	Virtua Willingboro Hospital (Lourdes MC of Burlington)	\$32,014
69	Inspira Medical Center - Elmer	\$2,974,304
70	St. Peter's University Hospital	\$4,658,545
73	Jersey Shore University Medical Center	\$7,213,394
74	Jersey City Medical Center	\$5,958,244
75	Monmouth Medical Center	\$6,745,176
76	St. Barnabas Medical Center	\$6,208,922
92	Capital Health Regional Medical Center	\$3,450,766
96	St. Michael's Medical Center	\$4,722,543
108	JFK Medical Center/A M Yelencsics	\$1,537,541
111	CentraState Medical Center	\$308,444
119	University Hospital	\$30,943,642
220	Virtua - West Jersey Health System	\$1,130,156
324	Inspira Medical Center - Vineland	\$7,438,261
390	Raritan Bay Medical Center	\$1,361,788
640	Atlanticare Regional Medical Center	\$3,552,788
860	Jefferson Hospitals	\$4,140,415
TOTAL		\$218,000,000

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
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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 2027: 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.