



# NEW JERSEY DEPARTMENT OF HUMAN SERVICES

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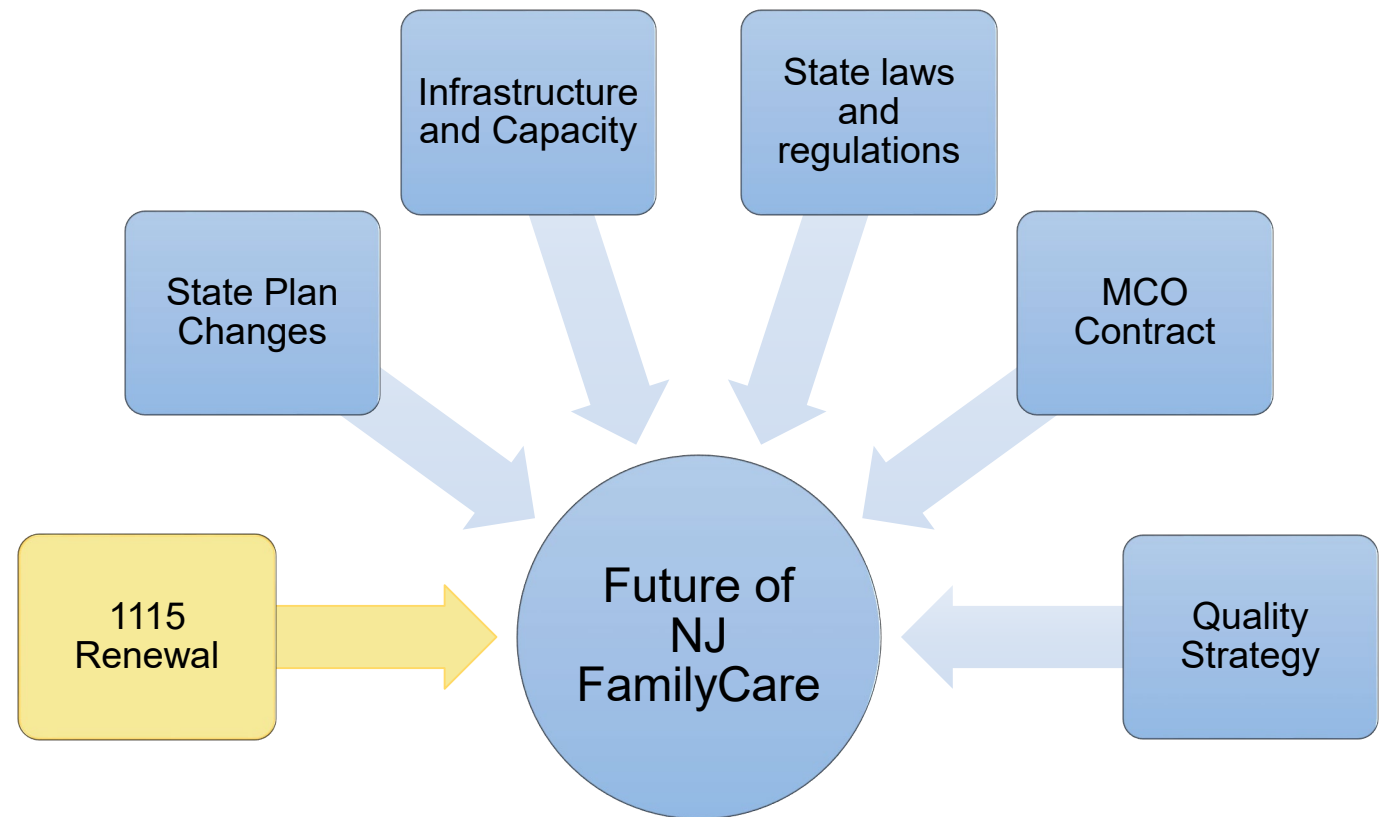
## NJ FamilyCare Comprehensive Demonstration

1115 Renewal – Public Hearing

# 1115 RENEWAL: POLICY CONTEXT

# 1115 Renewal and NJ FamilyCare

- The 1115 renewal sets out a vision for the next 5 years of the program.
- It is one tool/lever for advancing Medicaid priorities.



# NJ FamilyCare: Policy Levers

## State Plan

- Defines eligibility, benefits, and other key features of NJ FamilyCare
- Includes program elements that are permitted under federal law and regulation, and do not require special flexibility or permission
- Modified frequently through State Plan Amendments or SPAs

## 1115 Demonstration

- Allows state to test policies that are not allowable under ordinary Medicaid rules
- Can include waivers of certain provisions of federal law and regulations
- Are approved for limited time (typically 5 years); must be renewed

## Other Policy Mechanisms

- State laws and regulations
- MCO Contract
- Sub-regulatory policy guidance (e.g. provider newsletters)
- Infrastructure and Capacity (operations)
- Quality Strategy

# DEMONSTRATION HISTORY AND ACCOMPLISHMENTS

# 1115 Demonstration: History

Demonstration initially approved October 2012

- Consolidated authority for managed care delivery system
- Enhanced HCBS services for aged and disabled populations
  - MLTSS
  - I/DD Adults (Supports)
  - SED and I/DD Children (CSOC)
- DSRIP

Renewed in August 2017

- Converted Community Care Program for I/DD adults to 1115 status
- Consolidated SED / IDD children's program into Children's Support Services Program
- Set timeline for DSRIP phase-out

Subsequent amendments

- Introduction of SUD demonstration elements (2017)
- Authority for Home Visiting and OPG eligibility pilots (2019)
- Temporary COVID-19 Flexibilities (2020)

# 1115 Demonstration: Accomplishments

- Continued rebalancing of Medicaid long-term care
  - 61% of individuals receiving HCBS rather than nursing home care in 2018, as compared to 29% when MLTSS was initiated in 2014.
  - From 2014 to 2019, a decline in the total Medicaid nursing facility census in New Jersey of almost 5%; New Jersey's elderly population grew by more than 12% over the same time period.
  - Strong performance on key quality measures; above national averages on measures of physical and wellness exams, flu shots, dental visits, and vision exams.
- Improved access to HCBS for adults with intellectual and developmental disabilities
  - As of SFY 2020, approximately 10,950 individuals in the Supports Program and 11,730 individuals in the Community Care Program receiving services, typically in lower-intensity settings.

# 1115 Demonstration: Accomplishments (cont.)

- Implementation of an expanded array of services for youth with an autism spectrum disorder (initially piloted through the demonstration and eventually transitioned to State Plan).
- Simplified and streamlined program administration under the Children's Support Services Program (CSSP), breaking down previously existing silos of care for youth with complex needs.
- Continued quality performance improvement among DSRIP hospitals participating in asthma and diabetes quality projects.
- Introduction of a flexible and comprehensive substance use disorder benefit within context of integrated behavioral health system.
- Growth in enrollment in managed care; hitting an all-time high 1.94 million in June 2021.
  - Program savings
  - Improvements in quality of care
  - Supports critical NJ FamilyCare initiatives (e.g. vaccine outreach, new autism services, doula)

# **DRAFT 1115 RENEWAL PROPOSAL: GOALS AND KEY ELEMENTS**

# NJ FamilyCare – Overall Strategic Goals

The 1115 renewal fits within NJ FamilyCare's overall strategic goals:

## 1. Serve people the best way possible

- Improve maternal/child health outcomes
- Help members with physical, cognitive, or behavioral health challenges get better coordinated care
- Support independence for all older adults and people with disabilities who need help with daily activities

## 2. Experiment with new ways to solve problems

- Address racial and ethnic disparities in quality of care and health outcomes
- Demonstrate new value-based models that drive outcomes
- Use new systems and technologies to improve program operations

## 3. Focus on integrity and real outcomes

- Hold operational partners accountable for ensuring a stable, accessible, and continuously improving program for our members and providers
- Ensure program integrity and compliance with State and federal requirements
- Monitor fiscal accountability and manage risk

# Programmatic goals of NJ's 1115 renewal

The 1115 renewal fits within NJ FamilyCare's overall strategic goals:

## A. Maintain momentum on existing demonstration elements

- Continue improvements in quality of care and efficiency associated with managed care; improve access to critical services in the community through MLTSS and other HCBS programs; and create innovative service delivery models to address substance use disorders
- Update existing demonstration terms and conditions to address implementation challenges, and accurately capture how the delivery system has evolved in New Jersey over the past several years

## B. Expand our ability to better serve the whole person

- Test new approaches to addressing the social determinants of health, with a particular emphasis on housing-related issues
- Encourage greater integration of behavioral and physical health, and continued availability of appropriate behavioral health services for all Medicaid beneficiaries

## C. Serve our communities the best way possible

- Address known gaps and improve quality of care in maternal and child health
- Expand health equity analyses to support better access and outcomes for communities of color and people with disabilities, while also seeking to improve the experience of other historically marginalized groups where data may not be available for analysis (e.g. LGBTQ identity)



## **Goal A: Maintain momentum on existing demonstration elements**

# Managed Long-Term Services and Supports

- New Nursing Home diversion services
  - New caregiver respite and support services
  - New nutritional services
- Extension of authority for Office of Public Guardian eligibility pilot program
  - Allows earlier Medicaid eligibility for individuals in custody of Office of Public Guardian (OPG) who require long-term care
- Further stakeholder engagement and discussion re: use of Qualified Income Trusts

# Division of Developmental Disabilities: Waiver Programs

- Proposed changes to Community Care Program and Supports Program:
  - Flexibilities to reduce churning between MLTSS and DDD programs (allow longer rehab nursing home stays for DDD members)
  - Earlier eligibility for 18+ members outside of educational entitlement
  - Greater flexibility and support during transition to waiver programs
  - Allow certain waiver services to be provided during inpatient hospital stay
  - Enhanced respite benefit for individuals in “Supports + PDN”

# Children's System of Care

- Two critical proposed changes:
  - Full implementation of existing waiver authority for children with intellectual/developmental disabilities.
  - Propose parental income be disregarded when determining Medicaid eligibility for certain children receiving CSOC services.
    - If approved, would allow certain children who currently have access only to waiver and behavioral health services to receive full state plan benefits.



## **B. Expand our ability to better serve the whole person**

# Social Determinants of Health: Housing

The 1115 renewal application constitutes a **rethink** of how NJ's Medicaid program interacts with our members and their health-related housing needs.

## New Medicaid Coverage for Housing-Related Services

- Housing transition services - assisting members to transition to a new/improved housing setting
- Tenancy support services - assisting members to remain in appropriate community-based housing

## Expanded Eligibility for Housing Services

Continuing eligibility for MLTSS members and new eligibility for:

- Housing insecure families
- Members with I/DD
- Members with behavioral health conditions
- Members coming out of correctional settings

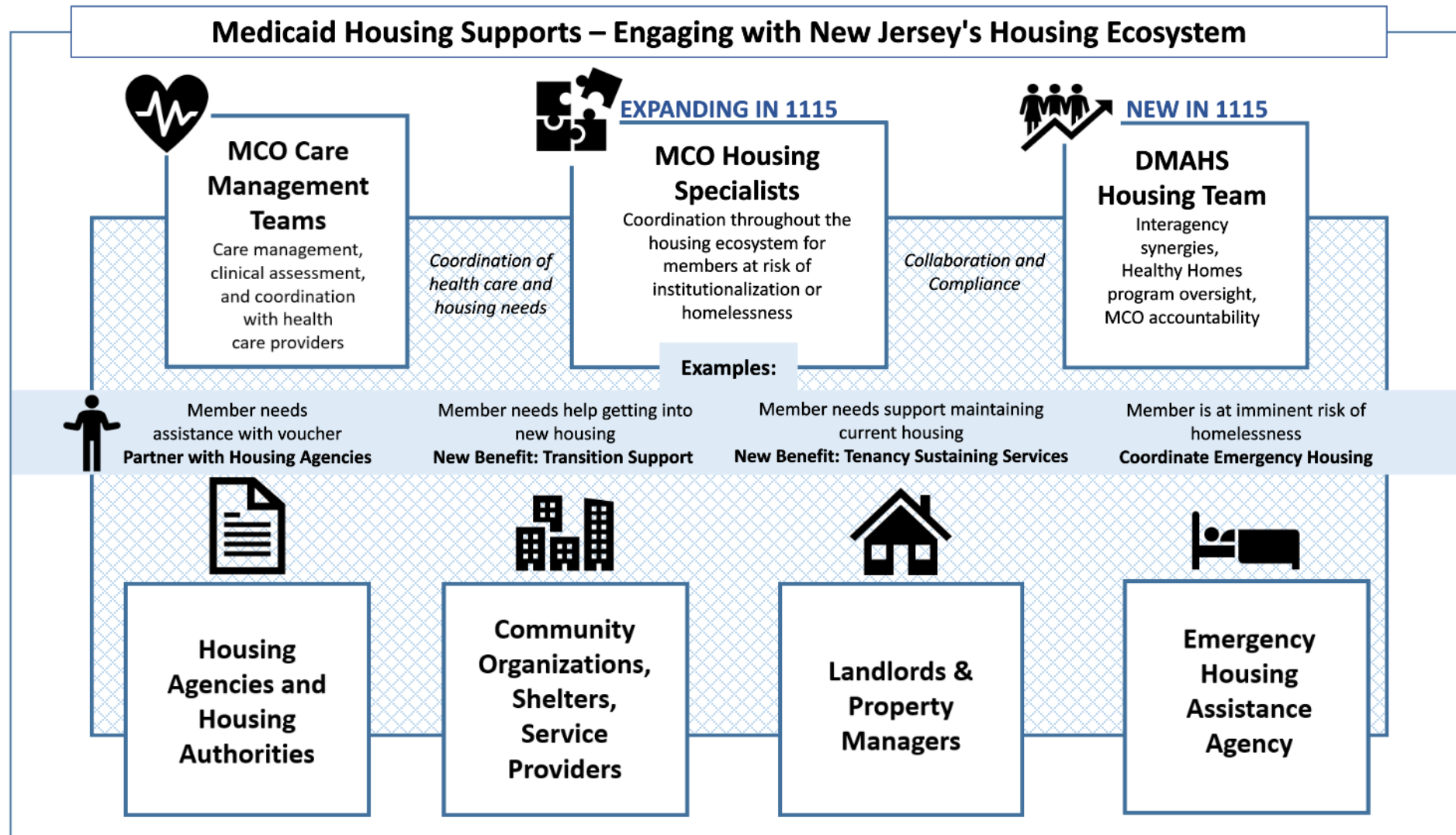
## Enhanced MCO Support for Health-Related Housing Needs

- Housing assessments
- Housing specialists to support individual needs
- Performance-based accountability

## DMAHS Housing Team Aligned to NJ's Existing Housing Ecosystem

- Interagency synergies
- Healthy Homes program oversight
- MCO accountability

# Social Determinants of Health: Housing (cont.)



# Social Determinants of Health: Other

- Community Health Worker Pilot Program
  - \$5 million proposed annual funding
  - Implemented through MCOs
- Medically-indicated meals pilot
  - Focus on gestational diabetes
- Additional Flexibility for expenditures on Regional Health Hubs
  - Support community level or other non-traditional Medicaid interventions

# Behavioral Health

- Better integration of behavioral and physical health care provided through NJ FamilyCare
  - Builds upon MCO carve-in work already done for limited populations (MLTSS, FIDE-SNP, DDD)
  - Creates locus of accountability (MCO) for more behavioral health services, and greater integration of physical and behavioral health.
  - Requires beneficiary protections and monitoring
- A robust stakeholder process will guide our planning.

# DMAHS envisions two distinct phases for integration discussions, with stakeholder involvement throughout

## BH Services covered by Managed Care Organizations

*For all NJ FamilyCare members*

- Hospital emergency department visits and inpatient stays with behavioral health diagnosis
- Specialty psychiatric hospital Admissions
- Autism services up to age 21
- Prescription drugs
- Office-Based Addiction Treatment (OBAT) for Medication Assisted Treatment (MAT)

## 1115 PHASE 1 CONSIDERATION

**Review existing MCO carve-ins to determine optimal levels of integration**

*For all NJ FamilyCare members*

- Mental health outpatient hospital or independent clinic services
- Mental health independent clinician (psychiatrist or psychologist)
- Mental health partial hospitalization
- Adult mental health rehab
- Mental health and SUD partial care
- Substance Use Disorder (SUD) – Short Term Residential
- SUD Long Term Residential
- SUD – Non-hospital detox
- SUD – Outpatient and Intensive Outpatient (IOP)
- Opioid Treatment Programs (OTPs)

## 1115 PHASE 2 CONSIDERATION

**Review opportunities for further integration**

*For all NJ FamilyCare members*

- Psychiatric Emergency Services (Screening Centers)
- Behavioral Health Homes (BHH)
- Programs in Assertive Community Treatment (PACT)
- Community Support Services (CSS)
- Targeted Case Management (TCM)
- Children's System of Care (CSOC) Care Management Organizations (CMOs)
- SUD Residential Treatment (Youth Only)
- Integrated Case Management Services (ICMS)
- Projects for Assistance in Transition from Homelessness (PATH)

# Behavioral Health (cont.)

- Other behavioral health proposals:
  - Placing Certified Community Behavioral Health Clinic (CCBHC) pilot program under 1115 authority
    - Strengthen payment incentives and provider accountability
  - Medicaid coverage of transitional behavioral health services prior to release from a correctional facility
  - Medicaid reimbursement of short-term “diversion beds” – intended to prevent unnecessary long-term placements in psychiatric hospitals
  - Additional Medicaid funding to support behavioral health providers adoption of electronic health records

## **Proposed new adjunct therapies for Medicaid members under 21 with autism spectrum disorders:**

- Art therapy
- Aquatic therapy
- Hippotherapy/therapeutic horseback riding
- Music therapy
- Drama therapy
- Dance/movement therapy
- Recreation therapy



## C. Serve our communities the best way possible

# Reduce disparities in Maternal and Child Health

- Extend Medicaid coverage of pregnant women to 12 months postpartum
  - Also amend existing 1115 demonstration, for earlier implementation
- Provide Medicaid expenditure authority for Integrated Care for Kids (InCK) program
  - Pilot program, also supported with federal grant dollars, implemented in Ocean & Monmouth county
  - Focus on children with high medical and social complexity
- Allow Medicaid reimbursement for Supportive Visitation Services for children in out-of-home placements through Child Protection and Permanency system.

# Maternal and Child Health (cont.)

- Expand and extend Home Visiting Pilot Program
  - Up to 500 families a year
  - Pregnant women, and families with children up to three years old
  - Ongoing services under three approved models: Health Families America (HFA), Nurse-Family Partnership (NFP), and Parents As Teachers (PAT).
- This is separate from and complementary to universal home visitation legislation recently signed into law by Governor Murphy, which provides:
  - Statewide universal newborn home visitation program

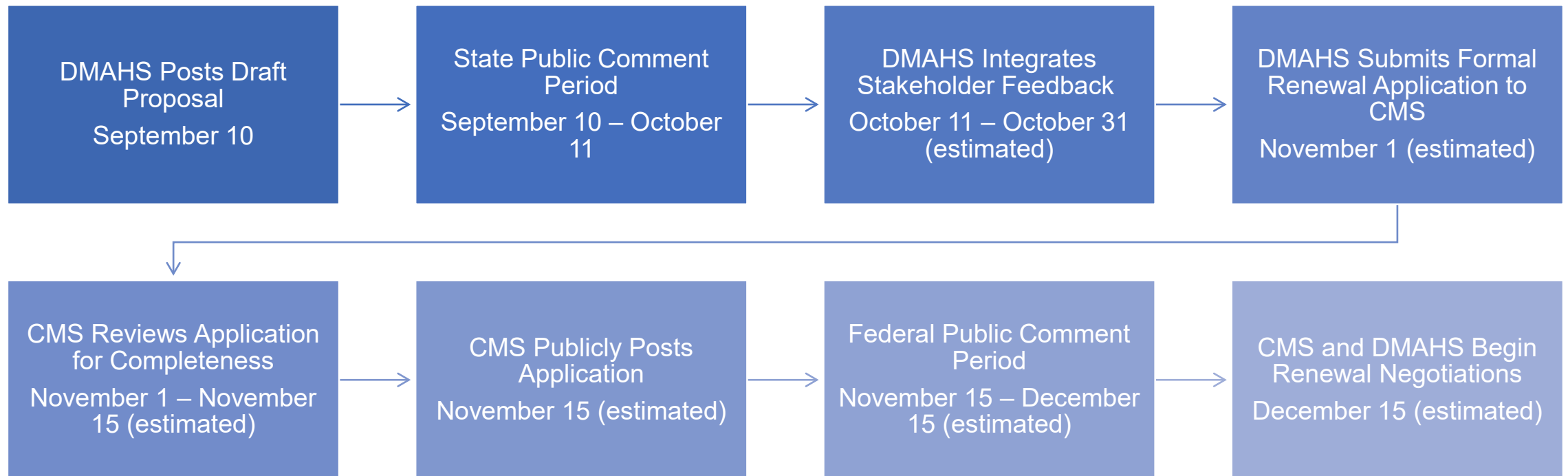
# Promoting Health Equity and Social Justice

- Racism, bias, inequity, and injustice have resulted in a broad set of historically marginalized communities consistently experiencing unacceptable disparities in health outcomes. New Jersey recognizes the importance of – and is committed to engaging in – thoughtful strategic planning around health equity in order to truly serve people, particularly those facing the greatest systemic barriers, in the best way possible.
- **New and ongoing initiatives in the demonstration aim to promote health equity and reduce disparities with, for example, extended postpartum coverage, housing-related services, community health workers, regional health hubs, enhanced provider partnerships, improved care management, and whole person care. DMAHS will support these initiatives with a renewed organizational focus on health equity and outcomes.**
- We plan to use both quantitative and qualitative measures in evaluating our programs to consider the impact of the demonstration on improving access and outcomes based on race/ethnicity, immigration status, disability, LGBTQ identity, geographic location, socioeconomic status, and additional intersecting factors known to impact a person's experience with the healthcare system.



# NEXT STEPS IN THE PROCESS

# Renewal Application Timeline (Approximate)



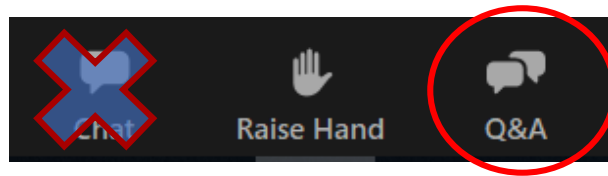
# Guidelines for Submitting Written Comments

- The Renewal application is posted on the Division's website at:  
[https://www.state.nj.us/humanservices/dmahs/home/1115\\_demo.html](https://www.state.nj.us/humanservices/dmahs/home/1115_demo.html)
- The public comment period ends on October 11, 2021.
- To comment by email, contact:
  - [dmahs.cmwcomments@dhs.nj.gov](mailto:dmahs.cmwcomments@dhs.nj.gov)
- To comment by mail, contact Margaret Rose at this address:
  - Division of Medical Assistance and Health Services  
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P.O. Box 712  
Trenton, NJ 08625-0712
- To comment by fax, contact Margaret Rose at this fax number:
  - 609-588-7343

# PUBLIC INPUT

# Stakeholder Comments

If you wish to speak, please state your **name** and **organization** in the Q&A section. Your name will show up in the order it is received. When you are called on, please keep your statement to two (2) minutes or less to allow for all voices to be heard.



To make a comment, select the Q&A box at the bottom of your screen.

