

LEGAL NOTICE

STATE OF NEW JERSEY

DEPARTMENT OF HUMAN SERVICES

MEDICAID NURSING FACILITY REIMBURSEMENT

TAKE NOTICE that, the Department of Human Services, Division of Medical Assistance and Health Services, intends to submit a State Plan Amendment to the Centers for Medicare & Medicaid Services in order to implement a change to the nursing facility rate setting system as adopted in the State Fiscal Year (SFY) 2014 budget provisions. This Notice is intended to satisfy the requirements of federal law and regulations, specifically 42 U.S.C. §1396a(a)(13) and 42 CFR §447.205.

Notwithstanding the provisions of N.J.A.C. 8:85 or any law or other regulation to the contrary, the amounts appropriated for Payments for Medical Assistance Recipients - Nursing Homes and Global Budget for Long Term Care shall be conditioned upon the following: (1) the per diem rate for each nursing home shall not be less than the per diem rate last received by that facility for Fiscal Year 2013; (2) the per diem reimbursement rate for Special Care Nursing Facilities shall be adjusted on January 1, 2014, such that an additional \$325,000 State funds shall be allocated to Special Care Nursing Facilities during the fiscal year; (3) monies designated pursuant to subsection c. of section 6 of P.L. 2003, c.105 (C.26:2H-97) for distribution to nursing homes less the portion of those funds to be paid as pass-through payments in accordance with paragraph 1 of subsection d. of section 6 of P.L. 2003, c.105 (C.26:2H-97) shall be combined with amounts hereinabove appropriated for Payments for Medical Assistance Recipients - Nursing Homes and Global Budget for Long Term Care for the purpose of Medicaid reimbursement to nursing facilities according to the rate setting methodology established in N.J.A.C. 8:85. For the purposes of this paragraph, a nursing facility's per diem reimbursement rate shall not include, if the nursing facility is eligible for reimbursement, the difference between the full calculated provider tax add-on and the quality of care portion of the provider tax add-on.

This reimbursement is expected to increase New Jersey Medicaid program expenditures to Special Care Nursing Facilities during SFY 2014 (July 1, 2013 - June 30, 2014) by \$650,000 (State and federal) in comparison to the amount expended in SFY 2013 for this initiative.

A copy of this Notice is available for public review at all Offices of the Area Agency on Aging that are situated in all twenty-one counties, as well as at the local Medical Assistance Customer Centers, County Welfare Agencies, and the DHS website at <http://www.state.nj.us/humanservices/providers/grants/public/index.html>. Comments or inquiries must be submitted in writing within 30 days of the date of this notice to:

Division Director
Division of Aging Services
PO Box 715
Trenton, New Jersey 08625-0715