



State of New Jersey

DEPARTMENT OF HUMAN SERVICES
DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

P.O. Box 712
Trenton, NJ 08625-0712

CHRIS CHRISTIE
Governor

JENNIFER VELEZ
Commissioner

KIM GUADAGNO
Lt. Governor

VALERIE HARR
Director

CALL TO SUBMIT LETTERS OF INTEREST TO APPLY TO BECOME A MEDICAID MANAGED CARE PLAN UNDER NEW JERSEY'S MEDICAID PROGRAM

Purpose:

In recent months, several health plans have expressed interest in applying to the New Jersey Department of Human Services, Division of Medical Assistance and Health Services to become a managed care plan under New Jersey's Medicaid program. The program currently serves over 1.2 million clients in four health plans. In the last year the program transitioned over 150,000 clients from Medicaid fee-for-service into managed care.

In the fall of 2011, New Jersey applied for a five-year Medicaid and CHIP Section 1115 research and demonstration waiver (the Comprehensive Waiver) that will encompass nearly all services and eligible populations served under a single authority, to provide more flexibility to manage the State's many programs. The Comprehensive Waiver application can be found on the Department of Human Services' (DHS) website at: <http://www.state.nj.us/humanservices/dmahs/home/waiver.html>. The waiver includes innovative changes to the New Jersey Medicaid programs' financing, delivery and design including managed long term services and supports, managed behavioral healthcare, Dual Medicare Special Needs Plan contracting, Accountable Care Organizations, and health home initiatives.

Procedure to apply:

If your organization would like to submit a Medicaid managed care plan application, please submit a Letter of Interest (LOI) to indicate your organization's interest in becoming a full Medicaid managed care contractor to provide Medicaid managed care contract services.

The LOI should contain the following information:

1. An expression of interest in contracting with the New Jersey Department of Human Services to become an at-risk managed care plan serving enrollees in the Medicaid/NJ FamilyCare program;
2. A brief description of the organization's experience as a health plan, and in particular, the health plan's experience serving Medicaid and CHIP clients in other markets;
3. Preliminary steps the health plan has taken to develop a presence in New Jersey, e.g., market research, application to the Department of Banking and

- Insurance (DOBI) for a Certificate of Authority (COA), provider network development activities, etc.;
4. A map demonstrating the health plan's start up counties. Note that all contracted plans must achieve statewide operations within eighteen (18) months of the start of the provision of services to Medicaid beneficiaries;
 5. Confirmation of the health plan's ability and intent to accept enrollment statewide;
 6. A copy of the company's organizational chart including a description of the parent company and regional headquarters that will support the New Jersey operation; and,
 7. The administrative contact name, title, address, telephone numbers, and email address for the Letter of Intent and Managed Care Organization (MCO) Application.

The LOI must be limited to fifteen (15) pages. This includes any cover pages and attachments.

Qualifications needed by an applicant to be considered:

The LOI is Step 1 in the application process. Below is the checklist the Division will use to determine whether the MCO has satisfied the minimum criteria needed to proceed to Step 2, completion of the MCO Application.

Criteria	Criteria Met? (Yes/No)
1. MCO must demonstrate that it has three (3) or more years of experience serving populations in publicly funded programs.	
2. MCO must maintain a general surplus at least in the minimum amount as required by N.J.A.C. 11:24-11.1, and additional surplus as the Commissioner of Banking and Insurance requires in relation to the MCO's outstanding liabilities and financial needs, including its obligations to New Jersey enrollees.	
3. MCO must provide a description of its anticipated presence in at least five (5) counties at the start of services. A map should also depict start-up counties.	
4. MCO must demonstrate ability and intent to accept statewide enrollment within 18 months of the contract effective date.	
5. MCO must disclose the identity of any person who has MCO ownership or controlling interest of five (5) percent or more, or is an MCO agent or managing employee, who has been convicted of a criminal offense related to that person's involvement in any healthcare insurance program, or any program under Medicare,	

Medicaid, or the Title XX services program since the inception of those programs.	
6. Brief narrative describing interest in becoming an at-risk managed care plan.	
7. Description of MCOs form of business.	
8. Description of steps taken to establish a presence in the New Jersey market.	
9. Is there an application to DOBI for a COA? If MCO already has a COA to operate in NJ, provide evidence that the MCO has sent a letter to DOBI expressing intent to file a material modification.	
10. Description of Provider Network development activities.	
11. Description of parent company, affiliates, and subsidiaries. In addition to a description of the organization's number of employees and location of offices.	

LOI must be submitted to:

Osato F. Chitou
Legal Specialist
Division of Medical Assistance and Health Services
PO Box 712
Trenton, New Jersey 08625-0712
Osato.Chitou@dhs.state.nj.us

Deadline by which all LOI's must be submitted:

A Letter of Interest may be submitted at any time. The Department will promptly review each LOI. If approved for application, the Department will follow-up with additional information about the application process.

If you have any questions about this notice please contact Osato Chitou at 609-588-3421.