NEW JERSEY HUMAN SERVICES

Meeting of the Medical Assistance Advisory Council

July 22, 2026

Agenda

- Welcome, Call to Order, and Introductions – **Dr. Deborah Spitalnik**
- Program Integrity: Medicaid Fraud Division – **Amanda Shiber** and **Melanie Donnelly**
- Federal Updates – **Gregory Woods** and **Lynda Grajeda**
  - County Option
  - Provider Revalidation
- Enrollment and Eligibility Updates – **Gregory Woods**
- H.R. 1 Updates – **Gregory Woods, Natalie Kotkin,** and **Kristine Byrnes**
  - Changes to Non-Citizen Eligibility
  - Interim Final Rule (IFR)
  - Member Outreach and Communications
- MCO Contract Changes – **Lynda Grajeda**
- Doula Benefit Update – **Shin-Yi Lin**
- NJ 1115 Demonstration Renewal: Upcoming Renewal – **Shin-Yi Lin**
- Planning for the Next Meeting – **Dr. Deborah Spitalnik**

PROGRAM INTEGRITY:
MEDICAID FRAUD DIVISION

STATE OF NEW JERSEY
OFFICE OF THE STATE COMPTROLLER

July 22, 2026

MEDICAID
REGULATORY FRAMEWORK & OVERSIGHT

CMS
CENTERS FOR MEDICARE & MEDICAID SERVICES

- Establishes Medicaid requirements.
- Oversees Medicaid program.
- Provides Federal funding.

NJ Medicaid State Plan

NEW JERSEY HUMAN SERVICES

NJFAMILYCARE
Affordable health coverage. Quality care.

NEW JERSEY OFFICE OF THE STATE COMPTROLLER

DMAHS
- Administers NJ Medicaid program.
- Contracts with and oversees MCOs.

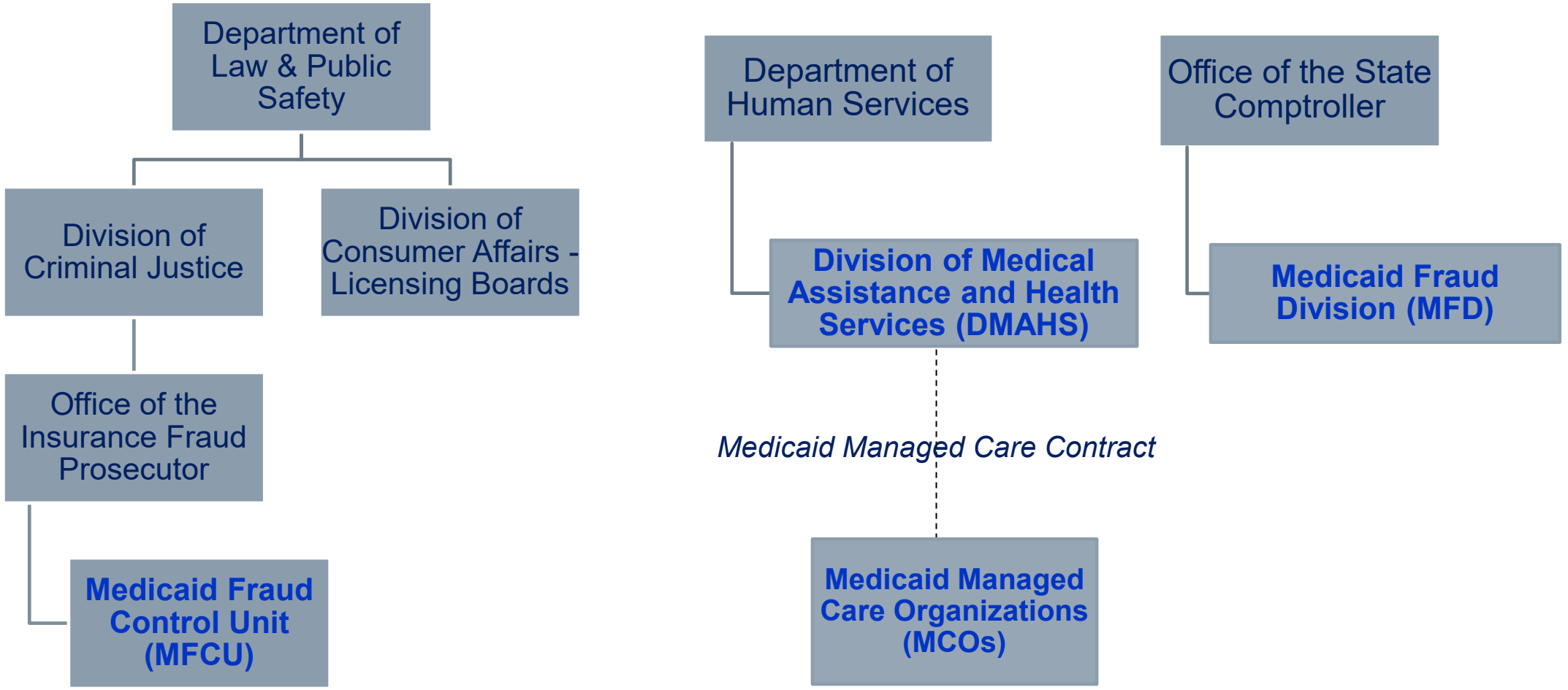
OSC
- Oversees NJ Medicaid Program Integrity.

NJ Medicaid MCO Contract

Managed Care Organizations *(MCOs)*

- Provides benefits and support to members.
- Maintains provider networks.
- Coordinates member care.
- Conducts FWA oversight of network (providers and members).

NEW JERSEY AGENCY ADMINISTRATION & MEDICAID OVERSIGHT



ABOUT THE MEDICAID FRAUD DIVISION (MFD)

- New Jersey "Medicaid Program Integrity and Protection Act", N.J.S.A. 30:4D-53 et seq.
  - Established the Office of the Medicaid Inspector General to detect, prevent, and investigate Medicaid fraud and abuse, recover improperly expended Medicaid funds, enforce Medicaid rules and regulations, audit cost reports and claims, and review quality of care given to Medicaid recipients.
- These functions, powers and duties were later transferred to the Office of the State Comptroller (OSC), and are carried out by the Medicaid Fraud Division (MFD).

WHAT IS MEDICAID FWA? N.J.S.A. 30:4D-55

Fraud

- Fraud is an **intentional** deception or misrepresentation made by any person with the knowledge that the deception could result in some unauthorized benefit.
- **Fraud may include billing for**:
  - Services not rendered;
  - Impossible hours; and
  - Drugs not in inventory.

Waste

- Waste is not defined by federal and/or state Medicaid statutes or regulations. Waste results in unnecessary costs without intentional criminal intent.
- **Waste may include:**
  - Overutilization of services;
  - Misuse of resources; and
  - Inefficient practices.

Abuse

- Abuse includes improper provider practices that are inconsistent with sound fiscal, professional, or service delivery practices, such as taking advantage of loopholes and/or bending the rules.
- **Abusive practices result in:**
  - Unnecessary costs to Medicaid;
  - Improper payments to providers; and
  - Reimbursement for unnecessary services.

MEDICAID
PROGRAM INTEGRITY OVERSIGHT

Providers

- Are the entities that render Medicaid services to beneficiaries:
  - Compliant with federal and state participation requirements?
  - Providing medically necessary and appropriate services?

Members

- Are the individuals enrolled eligible to receive services?

Relevant State Agencies & MCOs

- Are proper controls, policies, and procedures in place to mitigate fraud, waste, and abuse and to ensure funds are properly spent?

MFD OVERSIGHT FUNCTIONS

Program Integrity Oversight

Enforce Medicaid rules and regulations	Identify and recommend corrective actions, best practices, and MCO Contract Changes	Audit & investigate potential FWA	Recover improperly expended Medicaid funds	Coordinate oversight across State agencies	Exclude or terminate providers	Conduct high-risk provider screening

NJ MFD OVERSIGHT & RECOVERY MECHANISMS

TPL Recoveries/Credit Balance Audits

PARIS Match

Provider Self-Disclosures

Data Mining for Outliers/Desk Reviews

Audits

Investigations

Recoveries

Overpayment Letters

Cost Savings (avoiding unnecessary/improper expenditures)

NJ MFD – FY2025 RECOVERIES

TPL Recoveries/Credit Balance Audits

$103 million

PARIS Match

$22 million

Provider Self-Disclosures

$1.8 million

Audits

$2.4 million

Investigations

$3.5 million

Overpayment Letters/Desk Reviews

$612,745

NJ MFD – COST SAVINGS EXAMPLE

MFD Clinical Laboratory Audits

Resulted in recommendations to DMAHS.

MFD Recommendations to DMAHS

Newsletter 31 No.11

- Eliminated definitive testing procedure codes G0481-G0483.
- Presumptive testing limited to no more than 10 claims per beneficiary per rolling 30 days.
- Definitive testing required a presumptive test on the same day or within seven days of the date of service.
- Definitive testing limited to two claims per beneficiary per rolling 30 days
- Blanket orders are prohibited and defined as identical tests for all patients that are not based on patient specific conditions.

Cost Savings

Resulted in an estimated $102 million in cost savings from April 2021 through April 2025.

MFD SUSPENDS/EXCLUDES PROVIDERS

- MFD removes providers (suspends, debars, disqualifies) who are not sufficiently responsible from the Medicaid Program – “ineligible providers”
- Doing so protects:
  - Beneficiaries;
  - Taxpayers; and
  - The Medicaid program.
- Products or services that an ineligible provider directly or indirectly furnishes, orders or prescribes are not eligible for payment under federal or state-funded health care programs (N.J.A.C. 10:49-11.1(b)).
- Payment prohibition extends to anyone who employs or contracts with the ineligible provider, and to any facility where the ineligible provider delivers services.

REPORT MEDICAID FWA

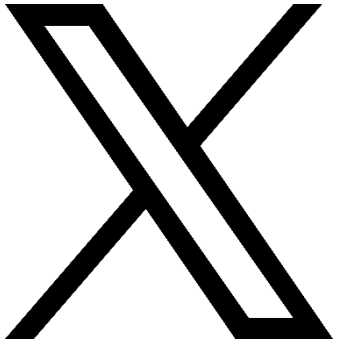
- By Hotline at: 1-888-9FRAUD5 (1-888-937-2835)
- Online at: https://nj.gov/comptroller/connect/medcomplaint/
- Third Party Liability:
  - (609) 826-4702 (English)
  - (609) 777-2753 (en Español)

KEEP IN TOUCH

Melanie Donnelly, Advisor Administration and MCOs
melanie.donnelly@osc.nj.gov

Amanda Shiber, Policy Advisor
amanda.shiber@osc.nj.gov

KEEP IN TOUCH



@NJComptroller

New Jersey
Office of the
State Comptroller

New Jersey
Office of the
State Comptroller

@NewJerseyComptroller

@NJComptroller

Federal Updates

New Jersey County Option Hospital Fee Program – Update

- County Option Program:
  - Allows eligible counties to **impose fees on local hospitals**.
  - Funds collected are used to **support the health care system**, with focus on hospitals that serve vulnerable, low-income populations.
  - Began in 2018 with 7 counties, has since grown to **14 counties**.
  - Generates **>$2.5 billion** in annual net investment in New Jersey's health care system.
- CMS must approve each county's program annually.
  - For SFY 2026, federal approval was **delayed for 8 of 14 counties for more than a year**.
  - Despite past years' approvals, CMS expressed major new concerns about whether program complied with relevant federal rules.

New Jersey County Option Hospital Fee Program – Update

- In May, New Jersey and CMS reached preliminary agreement (see right)
- **Next step**: New Jersey to submit options on potential program modifications to CMS, and begin next phase of negotiations
  - **Key State Goals**: Provide needed financial resources to **support New Jersey's healthcare system**, while creating additional clarity for providers and other stakeholders
- Note that current negotiations with CMS are **separate** from **large reductions to County Option** and other hospital payments required in future years by **One Big Beautiful Bill Act** (H.R. 1)

CMS:

- **Approved outstanding SFY 2026 programs**
- Signaled intent to **approve County Option for Q1 SFY 2027** (through September 30, 2026)

New Jersey:

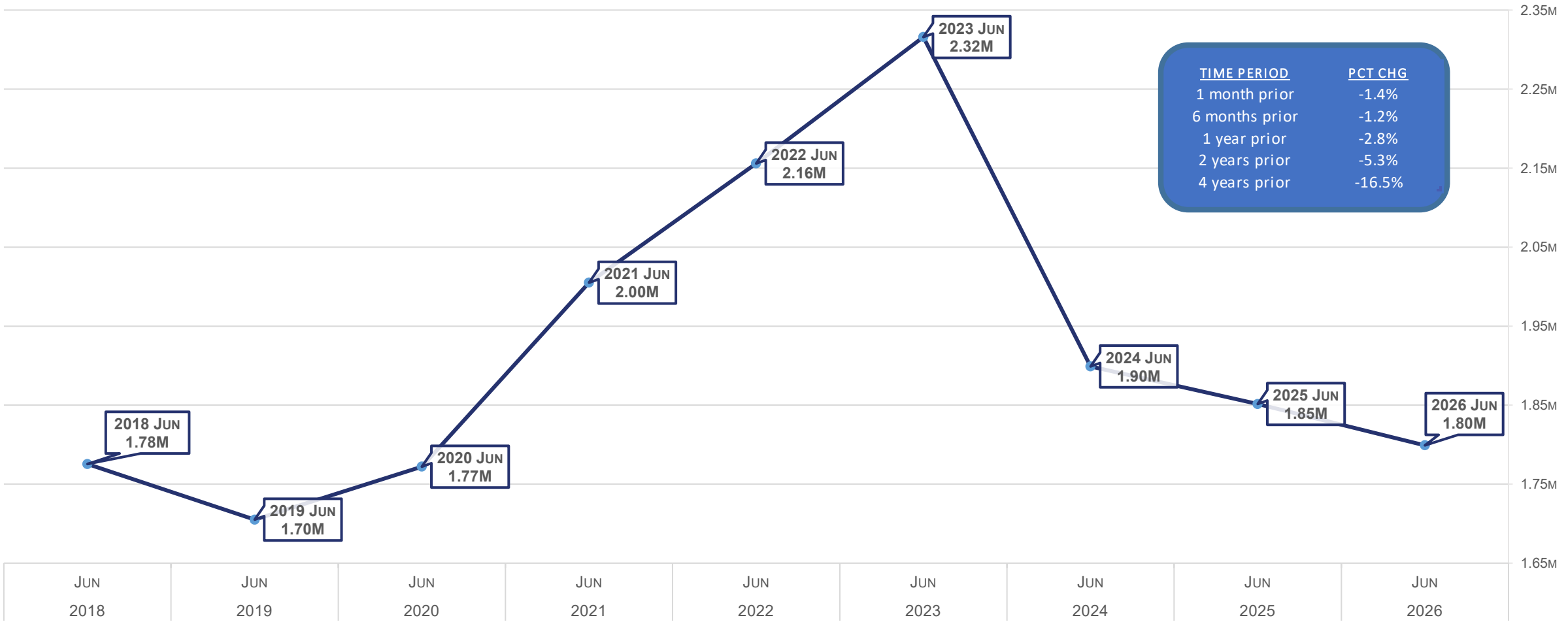
- Reaffirmed that **we believe existing program meets federal requirements**
- Committed to **work collaboratively with CMS to identify modifications to the program** to address CMS concerns

CMS Provider Revalidation Initiative

- All states (both Governors and State Medicaid Directors) received letter from CMS Administrator (Dr. Mehmet Oz) in April.
  - Requested states provide a strategy for **accelerating revalidation of "high risk" providers**
    - Revalidation = periodic confirmation providers continue to meet all Medicaid program requirements.
    - "High risk" = certain provider types (e.g. home health, nursing facility) who have been identified as posing greater relative program integrity risks
- New Jersey submitted a **proposed two-year strategy** in early June. Elements included:
  - Initial focus on providers in **"high risk"** categories who have **not been revalidated in past 12 months.**
  - Tiered prioritization of **all provider types** ("high risk" or otherwise) due for revalidation
  - **Technological and staffing enhancements** to further build provider validation and revalidation capacity (in partnership with Medicaid Fraud Division)
- DMAHS has begun implementation of strategy, while awaiting response from CMS

NJ FamilyCare Enrollment and Processing Statistics

NJ FamilyCare Enrollment



County Social Service Agency – Performance Scorecards

- New County Social Service Agency (CSSA) performance scorecards will be posted and updated regularly at the News, Publications, Reports & Resources.
  - Scorecards show (1) **new applications** that are pending beyond certain statutory timeliness thresholds, and (2) total volume of pending **renewal applications**.
  - Data is broken out into Modified Adjusted Gross Income (**MAGI**) and Aged Blind Disabled (**ABD**) eligibility groups.
    - Two counties (Morris and Camden) do not process MAGI applications and are excluded from MAGI metrics
  - Performance is **normalized based on CSSA caseload** (per 1,000 members) to allow meaningful comparisons between counties of different size.
- Scorecards capture **only one aspect** of CSSA performance.
  - DMAHS uses a range of metrics and tools to assess CSSA performance and work collaboratively on improvements

JUNE 2026 CSSA PERFORMANCE METRIC SCORECARD (Data as of May 2026)

MAGI New Applications >45 Days per 1,000 Members: Historical Trend

	Jun '25	Dec '25	Mar '26	Jun '26
Burlington	0.0	0.0	0.0	0.0
Cape May	0.0	0.0	0.0	0.0
Sussex	0.0	0.0	0.0	0.0
Warren	0.3	0.0	0.3	0.0
Ocean	0.0	0.1	0.1	0.0
Mercer	0.1	0.1	0.0	0.1
Middlesex	0.1	3.8	1.2	0.1
Somerset	0.1	0.0	0.0	0.1
Gloucester	0.5	0.0	0.1	0.1
Salem	0.0	0.0	0.0	0.3
Union	0.5	0.6	0.6	0.3
Bergen	0.2	0.1	2.6	0.4
Passaic	3.4	1.5	0.7	0.4
Atlantic	0.3	0.8	0.7	0.4
Cumberland	0.7	0.6	6.6	0.6
Essex	1.9	0.8	0.6	1.4
Hunterdon	0.9	1.4	5.3	2.9
Hudson	18.0	7.0	2.5	3.9
Monmouth	5.0	6.9	3.1	5.9
Statewide Avg.	**2.7**	**1.6**	**1.2**	**1.0**

18.0 – 0.3 – 0.0

MAGI Pending Renewals per 1,000 Members: Historical Trend

	Jun '25	Dec '25	Mar '26	Jun '26
Burlington	274.6	65.5	8.4	0.2
Hudson	52.4	24.6	17.3	0.4
Gloucester	8.1	8.7	7.9	0.4
Bergen	10.1	8.8	8.0	0.5
Warren	7.8	7.7	5.1	0.6
Hunterdon	7.2	6.6	10.5	1.0
Essex	57.9	20.6	12.5	1.3
Cape May	98.1	16.3	12.7	1.7
Atlantic	21.7	18.7	15.7	2.5
Mercer	20.0	18.4	10.2	2.7
Salem	36.7	10.0	15.2	3.0
Union	149.3	39.2	13.4	3.8
Cumberland	98.3	27.6	13.1	4.3
Somerset	31.7	12.0	11.9	4.6
Sussex	39.0	28.2	21.5	4.9
Passaic	341.0	174.0	74.5	28.8
Ocean	238.2	138.9	85.0	48.6
Middlesex	279.8	206.3	137.7	77.3
Monmouth	311.1	290.3	225.9	149.4
Statewide Avg.	**146.8**	**79.4**	**47.4**	**23.2**

341.0 – 16.0 – 0.2

Note: Camden and Morris are excluded from above tables (counties do not process MAGI cases)

ABD New Applications >90 Days per 1,000 Members: Historical Trend

	Jun '25	Dec '25	Mar '26	Jun '26
Gloucester	0.4	0.5	0.6	0.0
Hunterdon	0.0	0.5	0.0	0.0
Somerset	0.0	0.0	0.0	0.0
Warren	0.0	0.0	0.0	0.0
Mercer	1.0	0.1	0.1	0.1
Cumberland	0.9	0.1	0.4	0.3
Morris	0.2	0.2	0.5	0.4
Essex	0.5	2.4	2.2	0.5
Cape May	0.0	0.0	0.0	0.6
Salem	0.0	0.8	2.2	1.1
Ocean	1.3	1.8	1.6	1.3
Middlesex	130.2	13.6	0.7	1.3
Bergen	1.1	0.6	1.8	1.6
Sussex	1.2	1.2	8.1	10.1
Burlington	26.2	47.6	25.6	12.6
Atlantic	1.5	11.6	11.6	20.2
Passaic	46.9	58.8	30.4	20.3
Union	18.1	15.4	24.5	21.0
Hudson	98.6	94.0	52.9	34.1
Monmouth	76.5	108.8	97.6	89.4
Camden	104.1	111.1	102.7	99.9
Statewide Avg.	**40.1**	**34.1**	**24.9**	**20.8**

130.2 – 1.2 – 0.0

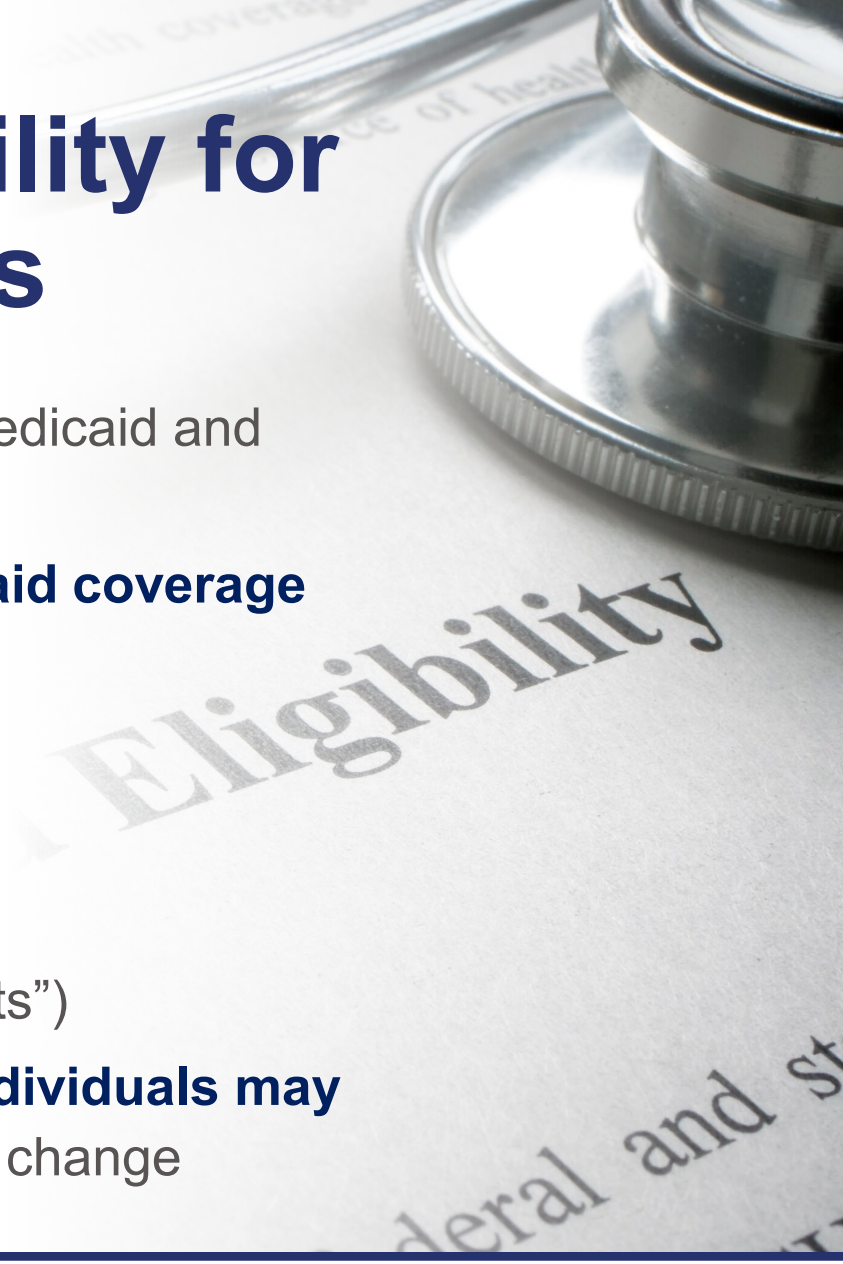
ABD Pending Renewals per 1,000 Members: Historical Trend

	Jun '25	Dec '25	Mar '26	Jun '26
Warren	6.3	5.5	4.4	0.4
Essex	7.0	6.7	6.5	0.8
Middlesex	83.2	17.0	9.5	1.4
Hunterdon	8.0	9.9	7.3	1.6
Gloucester	2.6	2.6	3.3	1.6
Somerset	11.0	10.1	8.6	1.7
Mercer	10.8	11.7	10.6	2.2
Cape May	17.0	14.9	9.2	2.3
Bergen	8.6	8.1	18.6	2.6
Salem	13.9	6.9	8.6	3.1
Morris	19.9	19.1	21.7	6.3
Sussex	19.7	20.1	21.0	8.5
Cumberland	15.4	11.7	14.0	12.6
Union	76.5	71.0	67.7	48.4
Passaic	188.5	138.4	108.5	63.0
Atlantic	58.6	46.9	67.6	73.9
Ocean	139.6	71.6	68.9	76.9
Camden	118.4	126.5	118.6	114.2
Burlington	200.8	149.4	138.0	119.9
Hudson	158.2	147.2	153.2	127.0
Monmouth	288.8	284.9	242.1	157.2
Statewide Avg.	**87.6**	**70.9**	**66.5**	**50.4**

288.8 – 16.2 – 0.4

H.R. 1 (“One Big Beautiful Bill Act”) Topics

Reminder: Elimination of Eligibility for Certain Documented Immigrants



- New restrictions on immigration eligibility for federal funding for Medicaid and CHIP go into effect October 1, 2026
- As of that date the **only groups of adults eligible for full Medicaid coverage** will be:
  - U.S. citizens and U.S. nationals
  - Lawful Permanent Residents (i.e. Green Card holders)
  - Cuban/Haitian entrants
  - Citizens of certain small Pacific island nations (“COFA migrants”)
- DMAHS previously estimated that between **15,000 and 25,000 individuals may lose Medicaid coverage** on September 30, 2026 because of this change

Reminder: Non-Citizen Eligibility Approach

DMAHS has identified approximately 25,000 potentially impacted non-citizen members.

Many may still qualify

Members where DMAHS was able to confirm a qualifying immigration status (under new rules) were excluded from this list.

DMAHS sends notices (via vendor HMS) in July to potentially impacted members, which:

Explains they may lose coverage on Oct 1 due to federal regulatory change

Lists still-eligible groups (e.g., Cuban entrants)

Directs members who believe they remain eligible to submit documents by a deadline

A DMAHS team will review immigration documents provided by members and validate immigration status against federal databases.

DMAHS will send an outcome letter to members who submitted immigration documents, indicating if they have been found eligible, ineligible, or if DMAHS needs more information.

If found ineligible, coverage will continue until September 30th.

DMAHS will send a final termination notice in mid-September to members who did not respond to request to send immigration documents

Final notice and ineligible outcome letters will explain the appeals process.

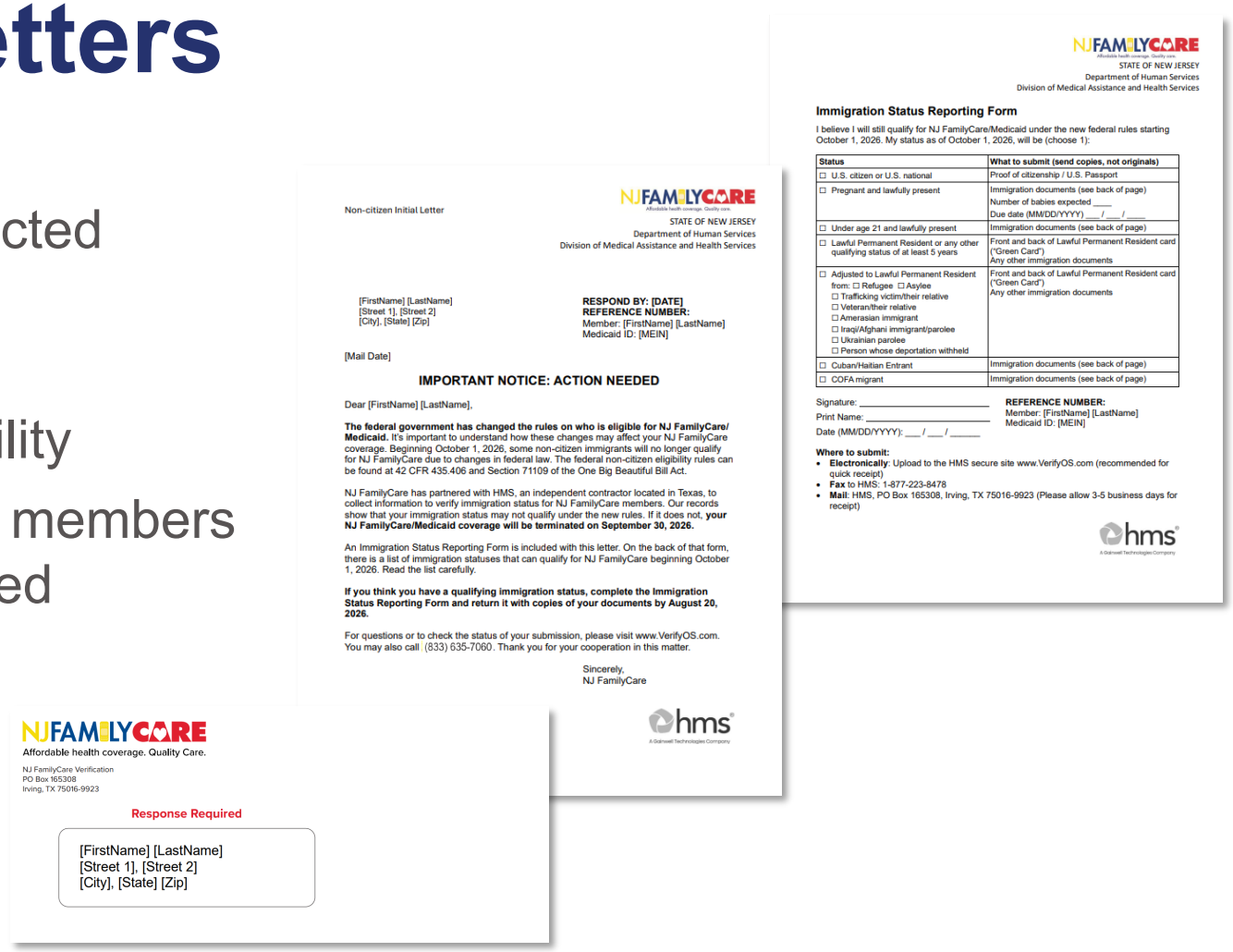
Members who receive the final termination notice or who were found ineligible will have eligibility terminated as of September 30th.

Non-Citizen Eligibility: Status Update

- DMAHS has completed data review and identified potentially impacted non-citizen adult members
  - Per late-breaking federal guidance, approximately 750 Supplemental Security Income (SSI) enrollees were incorporated into list
  - Reminder: eligibility of children and pregnant individuals is unaffected
- Outreach letters were sent on July 20 to members whose qualifying status could not be verified
  - Approximately 25,000 members are being sent outreach letters but DMAHS anticipates that a significant percentage are still eligible
  - To maintain eligibility, members must submit documentation of a qualifying status
- Members retain eligibility through September 30
  - Failure to respond will result in termination on that date

Member Outreach Letters

- Addressed to individual potentially-affected members
- Explain what is changing and what members need to do to maintain eligibility
- Includes guidance on what documents members should provide to demonstrate continued eligibility
- Posted online, including translations into eight languages in addition to the Spanish translation included in the mailing



NJFAMILYCARE
STATE OF NEW JERSEY
Department of Human Services
Division of Medical Assistance and Health Services

Immigration Status Reporting Form

I believe I will still qualify for NJ FamilyCare/Medicaid under the new federal rules starting October 1, 2026. My status as of October 1, 2026, will be (choose 1):

Status	What to submit (send copies, not originals)
☐ U.S. citizen or U.S. national	Proof of citizenship / U.S. Passport
☐ Pregnant and lawfully present	Immigration documents (see back of page) Number of babies expected ____ Due date (MM/DD/YYYY) ___ / ___ / ____
☐ Under age 21 and lawfully present	Immigration documents (see back of page)
☐ Lawful Permanent Resident or any other qualifying status of at least 5 years	Front and back of Lawful Permanent Resident card ("Green Card") Any other immigration documents
☐ Adjusted to Lawful Permanent Resident from: ☐ Refugee ☐ Asylee ☐ Trafficking victim/their relative ☐ Veteran/their relative ☐ Amerasian immigrant ☐ Iraqi/Afghani immigrant/parolee ☐ Ukrainian parolee ☐ Person whose deportation withheld	Front and back of Lawful Permanent Resident card ("Green Card") Any other immigration documents
☐ Cuban/Haitian Entrant	Immigration documents (see back of page)
☐ COFA migrant	Immigration documents (see back of page)

Signature: _____
Print Name: _____
Date (MM/DD/YYYY): ___ / ___ / _____

REFERENCE NUMBER:
Member: [FirstName] [LastName]
Medicaid ID: [MEIN]

Where to submit:
- **Electronically**: Upload to the HMS secure site www.VerifyOS.com (recommended for quick receipt)
- **Fax** to HMS: 1-877-223-8478
- **Mail**: HMS, PO Box 165308, Irving, TX 75016-9923 (Please allow 3-5 business days for receipt)

hms

Non-citizen Initial Letter

NJFAMILYCARE
STATE OF NEW JERSEY
Department of Human Services
Division of Medical Assistance and Health Services

[FirstName] [LastName]
[Street 1], [Street 2]
[City], [State] [Zip]

RESPOND BY: [DATE]
REFERENCE NUMBER:
Member: [FirstName] [LastName]
Medicaid ID: [MEIN]

[Mail Date]

IMPORTANT NOTICE: ACTION NEEDED

Dear [FirstName] [LastName],

The federal government has changed the rules on who is eligible for NJ FamilyCare/Medicaid. It's important to understand how these changes may affect your NJ FamilyCare coverage. Beginning October 1, 2026, some non-citizen immigrants will no longer qualify for NJ FamilyCare due to changes in federal law. The federal non-citizen eligibility rules can be found at 42 CFR 435.406 and Section 71109 of the One Big Beautiful Bill Act.

NJ FamilyCare has partnered with HMS, an independent contractor located in Texas, to collect information to verify immigration status for NJ FamilyCare members. Our records show that your immigration status may not qualify under the new rules. If it does not, **your NJ FamilyCare/Medicaid coverage will be terminated on September 30, 2026.**

An Immigration Status Reporting Form is included with this letter. On the back of that form, there is a list of immigration statuses that can qualify for NJ FamilyCare beginning October 1, 2026. Read the list carefully.

If you think you have a qualifying immigration status, complete the Immigration Status Reporting Form and return it with copies of your documents by August 20, 2026.

For questions or to check the status of your submission, please visit www.VerifyOS.com. You may also call (833) 635-7060. Thank you for your cooperation in this matter.

Sincerely,
NJ FamilyCare

hms

NJFAMILYCARE
Affordable health coverage. Quality Care.

NJ FamilyCare Verification
PO Box 165308
Irving, TX 75016-9923

Response Required

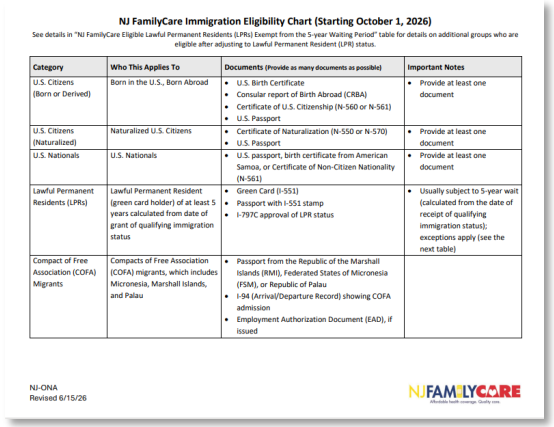
[FirstName] [LastName]
[Street 1], [Street 2]
[City], [State] [Zip]

Other Member Resources

Immigration Document Guide: detailed overview of the citizenship / immigration documents that can be sent to verify eligibility, translated into 9 languages

Frequently Asked Questions (FAQs): answers to common questions about the non-citizen eligibility changes, translated into 9 languages

Outcome Letter Insert: an insert included in all positive outcome decisions for renewals and new applications informing of eligibility rule changes on October 1st



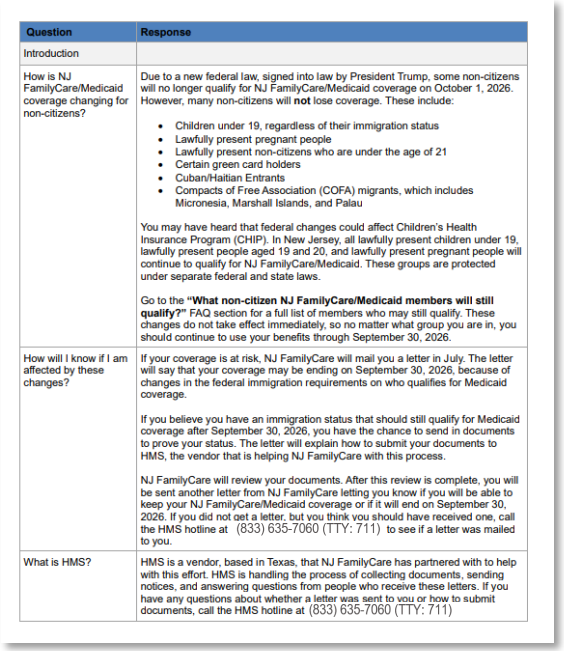
NJ FamilyCare Immigration Eligibility Chart (Starting October 1, 2026)

See details in "NJ FamilyCare Eligible Lawful Permanent Residents (LPRs) Exempt from the 5-year Waiting Period" table for details on additional groups who are eligible after adjusting to Lawful Permanent Resident (LPR) status.

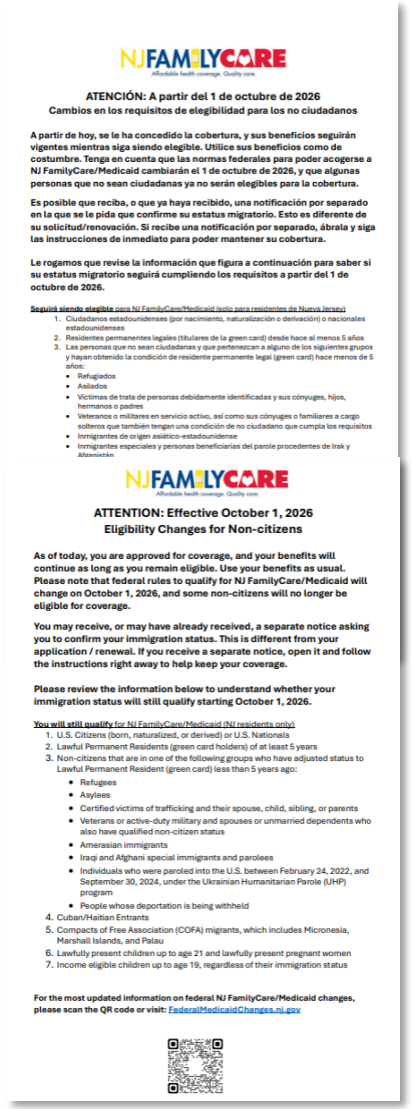
Category	Who This Applies To	Documents (Provide as many documents as possible)	Important Notes
U.S. Citizens (Born or Derived)	Born in the U.S., Born Abroad	• U.S. Birth Certificate • Consular report of Birth Abroad (CRBA) • Certificate of U.S. Citizenship (N-560 or N-561) • U.S. Passport	• Provide at least one document
U.S. Citizens (Naturalized)	Naturalized U.S. Citizens	• Certificate of Naturalization (N-550 or N-570) • U.S. Passport	• Provide at least one document
U.S. Nationals	U.S. Nationals	• U.S. passport, birth certificate from American Samoa, or Certificate of Non-Citizen Nationality (N-561)	• Provide at least one document
Lawful Permanent Residents (LPRs)	Lawful Permanent Resident (green card holder) of at least 5 years calculated from date of grant of qualifying immigration status	• Green Card (I-551) • Passport with I-551 stamp • I-797C approval of LPR status	• Usually subject to 5-year wait (calculated from the date of receipt of qualifying immigration status); exceptions apply (see the next table)
Compact of Free Association (COFA) Migrants	Compacts of Free Association (COFA) migrants, which includes Micronesia, Marshall Islands, and Palau	• Passport from the Republic of the Marshall Islands (RMI), Federated States of Micronesia (FSM), or Republic of Palau • I-94 (Arrival/Departure Record) showing COFA admission • Employment Authorization Document (EAD), if issued	

NJ-ONA
Revised 6/15/26

NJFAMILYCARE



Question	Response
Introduction	
How is NJ FamilyCare/Medicaid coverage changing for non-citizens?	Due to a new federal law, signed into law by President Trump, some non-citizens will no longer qualify for NJ FamilyCare/Medicaid coverage on October 1, 2026. However, many non-citizens will **not** lose coverage. These include: • Children under 19, regardless of their immigration status • Lawfully present pregnant people • Lawfully present non-citizens who are under the age of 21 • Certain green card holders • Cuban/Haitian Entrants • Compacts of Free Association (COFA) migrants, which includes Micronesia, Marshall Islands, and Palau You may have heard that federal changes could affect Children's Health Insurance Program (CHIP). In New Jersey, all lawfully present children under 19, lawfully present people aged 19 and 20, and lawfully present pregnant people will continue to qualify for NJ FamilyCare/Medicaid. These groups are protected under separate federal and state laws. Go to the **"What non-citizen NJ FamilyCare/Medicaid members will still qualify?"** FAQ section for a full list of members who may still qualify. These changes do not take effect immediately, so no matter what group you are in, you should continue to use your benefits through September 30, 2026.
How will I know if I am affected by these changes?	If your coverage is at risk, NJ FamilyCare will mail you a letter in July. The letter will say that your coverage may be ending on September 30, 2026, because of changes in the federal immigration requirements on who qualifies for Medicaid coverage. If you believe you have an immigration status that should still qualify for Medicaid coverage after September 30, 2026, you have the chance to send in documents to prove your status. The letter will explain how to submit your documents to HMS, the vendor that is helping NJ FamilyCare with this process. NJ FamilyCare will review your documents. After this review is complete, you will be sent another letter from NJ FamilyCare letting you know if you will be able to keep your NJ FamilyCare/Medicaid coverage or if it will end on September 30, 2026. If you did not get a letter, but you think you should have received one, call the HMS hotline at (833) 635-7060 (TTY: 711) to see if a letter was mailed to you.
What is HMS?	HMS is a vendor, based in Texas, that NJ FamilyCare has partnered with to help with this effort. HMS is handling the process of collecting documents, sending notices, and answering questions from people who receive these letters. If you have any questions about whether a letter was sent to you or how to submit documents, call the HMS hotline at (833) 635-7060 (TTY: 711)



NJFAMILYCARE

ATENCIÓN: A partir del 1 de octubre de 2026
Cambios en los requisitos de elegibilidad para los no ciudadanos

A partir de hoy, se le ha concedido la cobertura, y sus beneficios seguirán vigentes mientras siga siendo elegible. Utilice sus beneficios como de costumbre. Tenga en cuenta que las normas federales para poder acogerse a NJ FamilyCare/Medicaid cambiarán el 1 de octubre de 2026, y que algunas personas que no sean ciudadanas ya no serán elegibles para la cobertura.

Es posible que reciba, o que ya haya recibido, una notificación por separado en la que se le pida que confirme su estatus migratorio. Esto es diferente de su solicitud/renovación. Si recibe una notificación por separado, ábrala y siga las instrucciones de inmediato para poder mantener su cobertura.

Le rogamos que revise la información que figura a continuación para saber si su estatus migratorio seguirá cumpliendo los requisitos a partir del 1 de octubre de 2026.

Seguirá siendo elegible para NJ FamilyCare/Medicaid (solo para residentes de Nueva Jersey)

1. Ciudadanos estadounidenses (por nacimiento, naturalización o derivación) o nacionales estadounidenses
2. Residentes permanentes legales (titulares de la green card) desde hace al menos 5 años
3. Las personas que no sean ciudadanas y que pertenezcan a alguno de los siguientes grupos y hayan obtenido la condición de residente permanente legal (green card) hace menos de 5 años:
   - Refugiados
   - Asilados
   - Víctimas de trata de personas debidamente identificadas y sus cónyuges, hijos, hermanos o padres
   - Veteranos o militares en servicio activo, así como sus cónyuges o familiares a cargo solteros que también tengan una condición de no ciudadano que cumpla los requisitos
   - Inmigrantes de origen asiático-estadounidense
   - Inmigrantes especiales y personas beneficiarias del parole procedentes de Irak y Afganistán

NJFAMILYCARE

ATTENTION: Effective October 1, 2026
Eligibility Changes for Non-citizens

As of today, you are approved for coverage, and your benefits will continue as long as you remain eligible. Use your benefits as usual. Please note that federal rules to qualify for NJ FamilyCare/Medicaid will change on October 1, 2026, and some non-citizens will no longer be eligible for coverage.

You may receive, or may have already received, a separate notice asking you to confirm your immigration status. This is different from your application / renewal. If you receive a separate notice, open it and follow the instructions right away to help keep your coverage.

Please review the information below to understand whether your immigration status will still qualify starting October 1, 2026.

You will still qualify for NJ FamilyCare/Medicaid (NJ residents only)

1. U.S. Citizens (born, naturalized, or derived) or U.S. Nationals
2. Lawful Permanent Residents (green card holders) of at least 5 years
3. Non-citizens that are in one of the following groups who have adjusted status to Lawful Permanent Resident (green card) less than 5 years ago:
   - Refugees
   - Asylees
   - Certified victims of trafficking and their spouse, child, sibling, or parents
   - Veterans or active-duty military and spouses or unmarried dependents who also have qualified non-citizen status
   - Amerasian immigrants
   - Iraqi and Afghani special immigrants and parolees
   - Individuals who were paroled into the U.S. between February 24, 2022, and September 30, 2024, under the Ukrainian Humanitarian Parole (UHP) program
   - People whose deportation is being withheld
4. Cuban/Haitian Entrants
5. Compacts of Free Association (COFA) migrants, which includes Micronesia, Marshall Islands, and Palau
6. Lawfully present children up to age 21 and lawfully present pregnant women
7. Income eligible children up to age 19, regardless of their immigration status

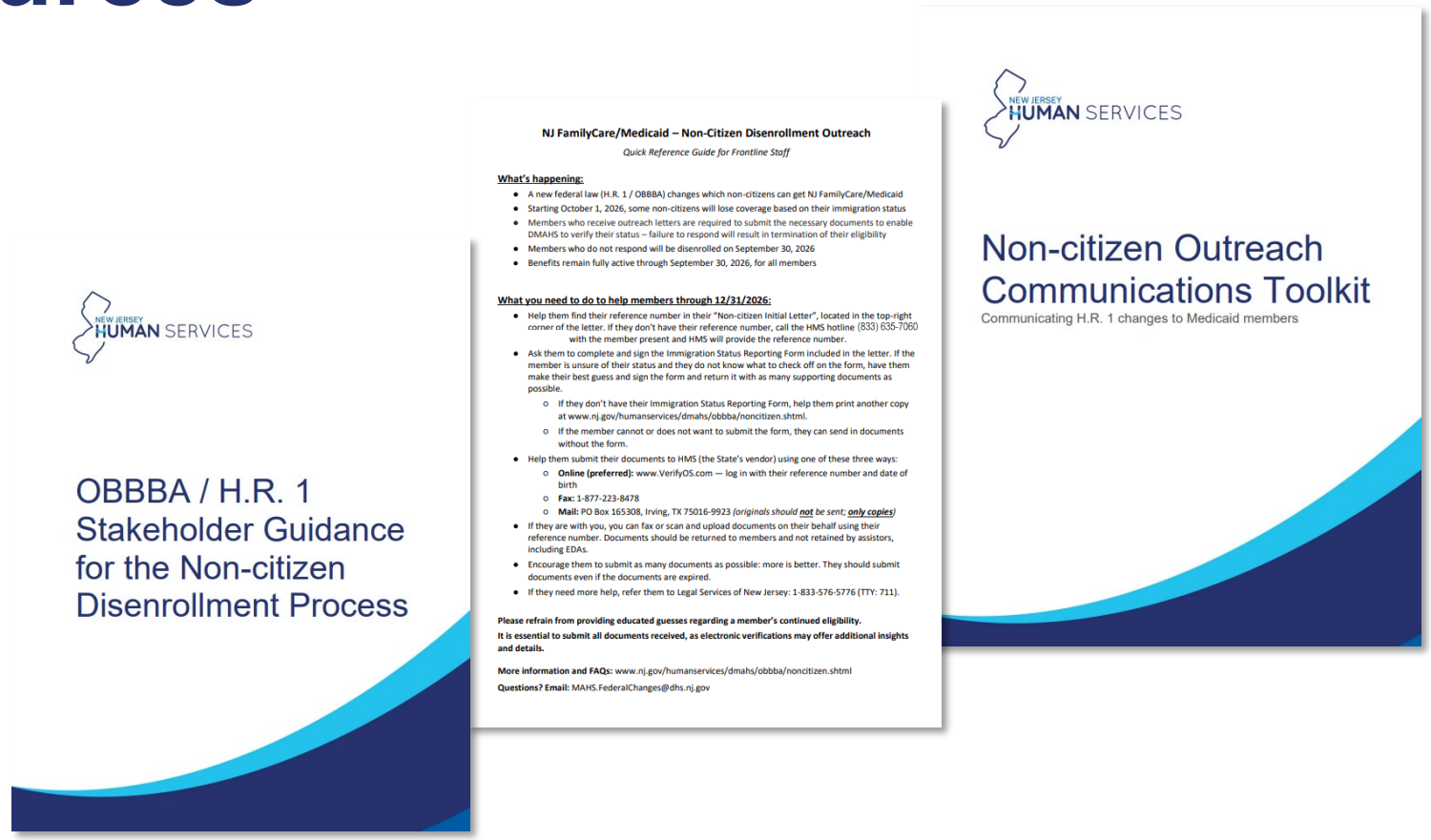
For the most updated information on federal NJ FamilyCare/Medicaid changes, please scan the QR code or visit: FederalMedicaidChanges.nj.gov

Stakeholder Resources

Non-citizen Stakeholder Guide: provides detailed guidance on the eligibility changes taking effect for non-citizens

Non-citizen Frontline Staff Guide: simplified one-pager that describes the non-citizen changes and gives clear direction on how to assist members

Non-citizen Outreach Communications Toolkit: a suite of ready-to-use materials that can be shared to advise on the non-citizen changes



Stakeholder Partners

- **Managed Care Organizations** will conduct multi-wave messaging effort to affected members, via email, phone, mail and text
- **County Social Service Agencies** and **NJ FamilyCare Walk-In Centers** will have tools available to provide guidance and hands-on assistance
- **DHS Office of New Americans** is engaging with community nonprofit agencies to support impacted individuals
- **Regional Health Hubs** are conducting targeted outreach within their communities
- **Legal Services of New Jersey** has set up a dedicated help line (833-576-5776) to assist members impacted by this change

Next Steps

- DMAHS staff will carefully review all documents submitted to demonstrate continued eligibility
  - Note that counties and Health Benefits Coordinator vendor (Conduent) will **not** be responsible for this special, **one-time** eligibility process
  - As required by federal law, new information submitted will be **validated against federal databases**
  - Outcome letters will be sent on a **rolling basis** to every member who responds, informing them of eligibility decision and appeal rights
- If member has ineligible status or does not respond to outreach, disenrollment will take place on **September 30**
  - All members are encouraged to **continue to use benefits until September 30th** and no member in this process will be disenrolled before that date
  - All terminated members will have access to fair hearing process
- After October 1st, new non-citizen rules will be integrated into ordinary eligibility and enrollment processes

For updates on non-citizen eligibility, please visit nj.gov/humanservices/dmahs/obbba/non-citizen/

Interim Final Rule

H.R.1: Interim Final Rule

- As required by statute, on June 1st CMS released an Interim Final Rule (IFR) (regulation) on community engagement requirements (work requirements).
  - Public comments on the IFR are due on July 31st.
- In some respects, the IFR **aligns** with DMAHS's previous working assumptions.
- In others, it **varies significantly** from New Jersey and other states' previous understanding of H.R. 1.
  - Key areas of divergence are described in the following slides.

Medical Frailty

H.R. 1 statute *exempts* individuals who are medically frail from work requirements.

The law defines medical frailty as applying to members in **five buckets**:

1. Blind or disabled
2. Substance use disorder (SUD)
3. Disabling mental disorder
4. Physical, intellectual, or developmental disability significantly impairing one or more activities of daily living
5. Serious or complex medical condition

In the IFR, CMS goes significantly beyond statute:

A. Member must fall into one of five buckets named in statute ***and***
B. Member's condition must be one that "**significantly impairs** the individual's ability to comply with the community engagement requirement"
   - IFR is unclear on how member can meet the "significant impairment" standard
     - E.g. - does a doctor need to formally certify that a member's cancer diagnosis impedes their ability to work?
     - "Significant impairment" requirement does not appear anywhere in statute.

IFR: Other Areas of Concern

Self-Attestation

- Effective 2028, IFR significantly **narrows the circumstances** in which states can accept **member self-attestation as sufficient evidence of compliance** with (or exception from) community engagement requirements.
- Members may be at risk of losing coverage, if they are unable to produce paper documentation
- Special rule for medical frailty: members **may only attest to being medically frail once per enrollment period**.

Timing of Notices of Non-Compliance

- IFR places new restrictions on **when/how** states can send statutorily mandated notices **warning members that they appear to be non-compliant** with community engagement
- May result in less notice of potential coverage loss

IFR: Other Areas of Concern (cont.)

Short-Term Hardship Exceptions

- Requires members **to initiate a request** for certain “short term hardship” exceptions - e.g. traveling out-of-state for medical treatment
- **Timing may create eligibility challenges** – e.g. someone who travels out of state for treatment in July may not be eligible until August

Verification Hierarchy

- Requires states to check if a member is excluded (e.g. for medical frailty), even if the state has already determined a member is compliant (e.g. is working 80 hours / month)
- **Adds complexity** to technical systems build

Next Steps

Submit Comments

- New Jersey is planning to submit formal comments on the IFR before the **July 31st** deadline
  - Stakeholders may also wish to consider submitting comments here
- Unclear if CMS will issue further regulations or guidance before January 1, 2027

Litigation

- New Jersey's Attorney General is co-leading a multi-state suit filed in federal court last month, challenging certain elements of IFR
  - Total of 25 states are plaintiffs in this litigation
- DMAHS will continue to closely track developments in this space

Consider "Good Faith" Implementation Waiver

- H.R. 1 includes provision allowing states to request extension of implementation dates for community engagement: requires demonstrating significant barriers to implementation, despite state's good faith effort
- IFR included detail on how states can apply (significant documentation / justification is required), and signaled CMS **does not anticipate issuing many** waivers
- New Jersey will assess whether to request such a waiver later this year
  - Implementation efforts **do not assume any extension**

Implementation

- DMAHS is assessing how to best comply with the terms of IFR, assuming no further changes or extensions
- Key state goals remain the same: **minimize unnecessary coverage loss, reduce member burden and confusion**

Member and Stakeholder Communication Timeline

Outreach and communication strategies: January eligibility changes

- DMAHS Website
- Social Media
- Targeted Stakeholder Training Sessions and Webinars
- Targeted Toolkits and Guidance Documents
- Call Centers
- E-mail Inboxes
- Direct Member Outreach

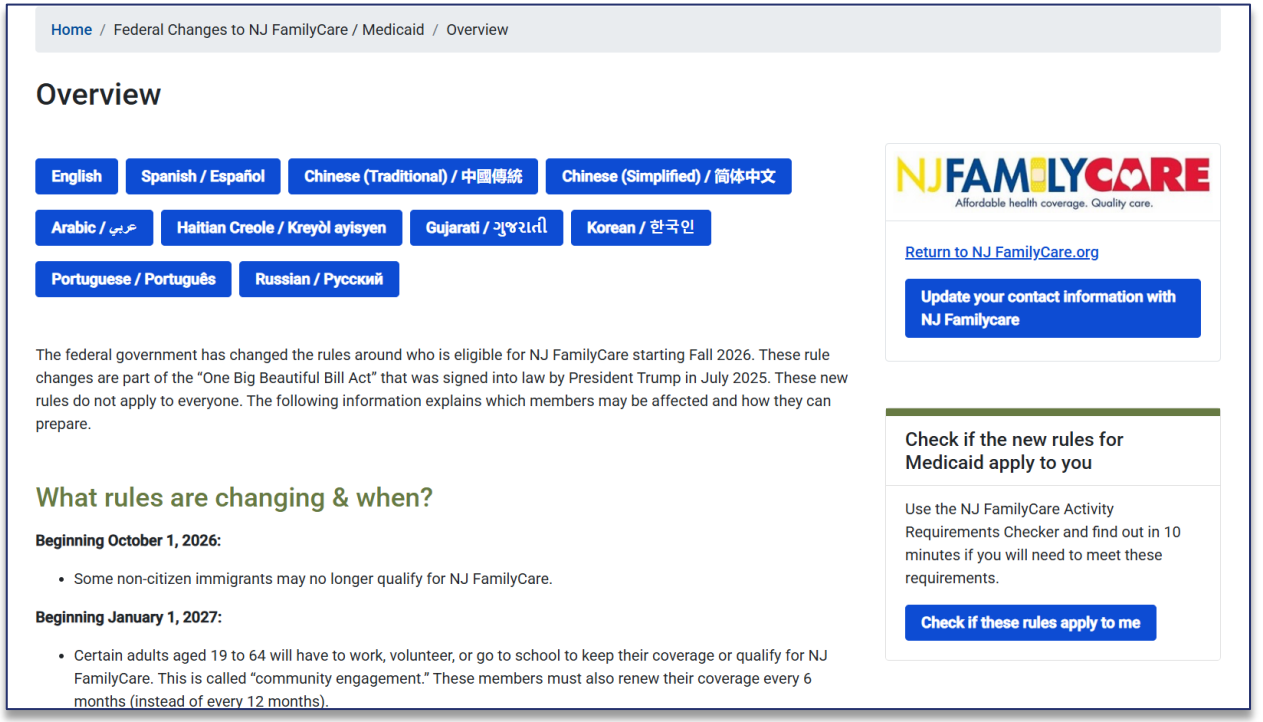
Website and Social Media

Main page is live at **FederalMedicaidChanges.nj.gov**

- **Central landing page** for information and updates
- Updated and information added regularly

Social Media:

- DHS social media accounts will begin member-targeted outreach about federal changes around **October 2026**
- DHS will partner with stakeholders to expand reach



NEW JERSEY HUMAN SERVICES

Targeted Trainings, Webinars, and Toolkits

- Outreach targeted toward **defined interest groups of stakeholders**
- For each stakeholder group, goal is:
  - Develop customized toolkits: **September 2026**
  - Hold targeted webinars and training: **Fall 2026**
- DMAHS is finalizing a partnership with New Jersey Health Care Quality Institute to support this work.

Call Centers and Inboxes

- Eligibility hotline (1-800-701-0710, TTY: 711) operated by Conduent:
  - Currently **surging staffing** to meet anticipated volume
  - New **FAQs / scripts** for call center staff to support H.R. 1 related inquiries
    - Deployed on an ongoing basis during **Summer / Fall 2026**
- Other call centers and member contact points provided with **scripts / materials** on H.R. 1 eligibility changes:
  - County Social Service Agencies
  - Managed Care Organizations
  - DMAHS Hotline
- **Centralized e-mail inbox** for stakeholder inquiries: mahs.federalchanges@dhs.nj.gov

Direct Member Outreach

LATE SPRING 2026

Initial letters describing key changes **were sent to likely impacted households** (those including expansion adult members)

AUG 2026

Additional upcoming broad outreach letters for **non-expansion households**

SEPT 2026

Additional upcoming broad outreach letters for **member-level outreach to expansion adults (with additional detail)**

JAN 2027

Impacted members whose compliance with community engagement can not be automatically verified will receive an updated **renewal applications via mail**, with instructions on providing needed information.

Members who do not return renewal applications will receive additional reminders through **Managed Care Organizations** and **Regional Health Hubs** via **multiple modalities** (phone, text, e-mail)

- Built on lessons of “unwinding” from Public Health Emergency

Starting in **Fall 2026** and into **2027**, DMAHS will introduce technical changes on an ongoing basis to ease member application and renewal experience

Example: automated e-mail updates on application status

Stakeholder Calls to Action Ahead of Eligibility Changes

Stay updated on existing & newly available materials via OBBBA webpage

- Amplify resources to your network & communities
- Learn relevant information to support members

Request to be added to the stakeholder email list for ongoing updates at MAHS.FederalChanges@dhs.nj.gov

Managed Care Contract Changes

July 2026

MCO Contract Changes

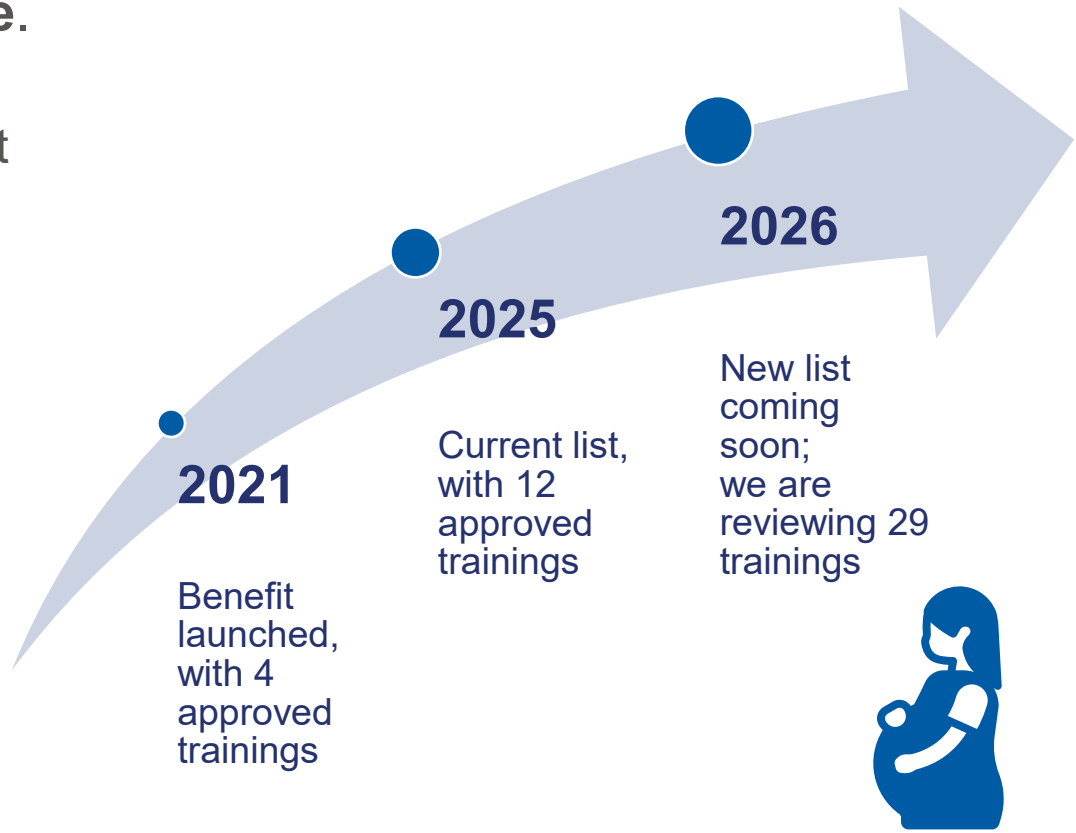
Community Based Palliative Care (CBPC)	Community Based Palliative Care (CBPC) MCO reporting requirements enhanced in support of recent (April 2026) benefit go-live.
EPSDT/Lead Screening	Early and Periodic Screening, Diagnostic and Treatment (EPSDT)/Lead Screening section updated to require MCOs to monitor/report PCPs with low lead screening rates and issue Corrective Action Plans (CAPs) to providers who do not meet required thresholds.
Mental Health and Substance Use Disorder (MH/SUD)	Added additional MCO staff training requirements on American Society of Addiction Medicine (ASAM) criteria to ensure appropriate prior authorization and continuing care decisions for members. Requirements/language added to the contract to ensure members have timely and convenient access to SUD testing and providers have rapid access to testing results. Includes (transitional) payment of at least Medicaid FFS rates to out-of-network labs and designated points of contact at each MCO for questions and/or assistance with SUD labs.
MCO Administrative Denial and Appeal Guidance	MCO Administrative Denial and Appeal guidance/language requirements added to ensure clear and concise member communication to members regarding service denials and appeal options.

NEW JERSEY HUMAN SERVICES

Doula Benefit Update

Doula Benefit: New NJ FamilyCare Approved Provider Trainings

- DMAHS Goal: increase member access to **doula care**.
  - Ongoing collaboration with NJ Maternal and Infant Health Innovation Authority (MIHIA) and NJ Department of Health (DOH)
- Key lever: increase the number of doulas who can enroll as a NJ FamilyCare doula and provide care.
- DHS has recently implemented new, transparent process to approve more doula trainings meeting NJ FamilyCare's minimum standards.
- For doula trainings interested in approval:
  - Email doula@njmihia.gov or visit MIHIA's dedicated website here.



NJ 1115 Demonstration Renewal

Implementation of the 1115 Demonstration Continues

- Significant progress has been made on implementing housing, behavioral health integration, Community Health Worker pilot programs and other Demonstration elements.
  - To provide comment to DMAHS about the progress made to date on the 1115 Demonstration, please remain on this call after the MAAC meeting to participate in the annual Post-Award Forum.
- The federal administration has issued updates affecting Section 1115 Medicaid demonstration policy in two key areas: **Health-Related Social Needs (HRSN)** and **Budget Neutrality.**
  - **HRSN:** CMS has rescinded previous Section 1115 guidance related to HRSN which supports housing and nutrition initiatives.
    - CMS has indicated that replacement guidance is forthcoming. In the interim, New Jersey continues to operate under its approved demonstration authority.
  - **Budget Neutrality:** CMS has released a new State Medicaid Director Letter (SMDL) implementing a more stringent budget neutrality review (as required by One Big Beautiful Bill Act), including actuarial certification of demonstrations, amendments, and renewals beginning in 2027.

1115 Renewal Planning

DMAHS is proactively preparing for renewal and plans to start reaching out to stakeholders, other government agencies, and conduct several listening sessions beginning later this year.

Specific dates will be published on our website and announced at future MAAC meetings.

In 2026, our focus will be on stakeholder engagement as we build a proposed application.

We encourage all stakeholders to provide input or suggestions regarding the renewal process and content.

Have ideas or questions?
Send them to:
DMAHS.CMWcomments@dhs.nj.gov

NEW JERSEY HUMAN SERVICES

1115 Comprehensive Demonstration Annual Post-Award Forum

Planning for the Next Meeting

October 29, 2026


Thank You

NEW JERSEY HUMAN SERVICES

1115 Comprehensive Demonstration Annual Post-Award Forum

July 2026

DMAHS 1115 Website

DMAHS.CMWcomments@dhs.nj.gov

Purpose of This Public Forum

Federal requirements mandate a post-award forum to solicit comments on the progress of the demonstration where the public has an opportunity to provide verbal or written comments, and those comments must be summarized and included in the annual reports submitted to CMS by DMAHS.

NJ's 1115 Comprehensive Demonstration Special Terms and Conditions (STC) state:

"12.13 Post-Award Forum. Pursuant to 42 CFR 431.420(c), within six (6) months of the demonstration's implementation, and annually thereafter, the state must afford the public with an opportunity to provide meaningful comment on the progress of the demonstration."

Today's session will provide a brief summary of Demonstration activities this year and provide the public with an opportunity to comment.

1115 Demonstration: Overview

- The **NJ FamilyCare 1115 Comprehensive Demonstration** grants the state **federal authority** to:
  - Test **innovative strategies** to broaden Medicaid eligibility;
  - Offer **alternative benefits**;
  - Modify **payment mechanisms**;
  - **Improve care** delivery.
- The demonstration was initiated in 2012
  - Must be renewed by the federal government **every 5 years**.
- Current five-year approval period expires on **June 30, 2028**
  - New Jersey anticipates submitting a request to CMS to renew the demonstration for an additional five-year approval.
- Due to the complexity of CMS negotiations, which historically have extended past the expiration date, renewal planning must begin multiple years in advance.
  - CMS generally requests **renewal application** be submitted **a full year in advance of expiration date** (June 2027 for New Jersey)

1115 Demonstration Renewal: April 1, 2023 through June 30, 2028

On March 30, 2023, the Centers for Medicare and Medicaid Services (CMS) approved a renewal of New Jersey's 1115 Demonstration.

This renewal includes innovative NJ FamilyCare projects designed to address priorities such as:

- addressing members' housing-related needs;
- integrating behavioral and health services; and
- providing new and creative approaches to care.

The renewal extends federal authority for the state to operate large parts of the NJ FamilyCare program.

The renewal is effective from April 1, 2023 through June 30, 2028.

1115 Demonstration: Elements

The 1115 Demonstration includes authority for a wide array of programs and pilots that contribute to NJ FamilyCare. They include:

Authorization

- Managed Care Authorization
- Post-Partum Eligibility Extension
- Quality Improvement Strategy (QIS)

Programs

- Managed Long Term Services and Supports (MLTSS)
  - Nutrition Services
  - Caregiver Supports
- DDD Programs:
  - Community Care Program (CCP)
  - Supports
  - SUD/OUD Services
  - SUD HIT

Programs (cont.)

- Integration of BH into Managed Care
- BH Promoting Interoperability Program (PIP)
- Children' Support Services Program (CSSP) I/DD and SED
- Premium Support Program (PSP)
- Housing Support Services

Pilots

- NJ Home Visitation (NJHV)
- Community Health Worker (CHW)
- Medically Indicated Meals (MIM)
- Adjunct Services Autism Spectrum Disorder (ASD)

Notable Accomplishments and Progress from the Past Year

- **Housing Supports Program:** Entering its second year, the program continues to strengthen the connection between housing and health care. To date, 100 agencies have enrolled with at least one MCO, more than 3,000 members have received services, and over 5,000 claims have been submitted.
- **Behavioral Health Integration:** Successfully launched Phase 1, enabling MCOs to cover most outpatient behavioral health services and improving coordination between physical and behavioral health care.
- **Community Health Worker (CHW) Pilot:** CMS approved New Jersey's CHW Pilot Protocols, allowing MCOs to begin implementing CHW pilots on or after July 1, 2026, expanding access to community-based supports.
- **Behavioral Health Promoting Interoperability Program (BH PIP):** Eleven participating facilities achieved milestone attestation, triggering incentive payments that support improved health information exchange and enhanced service delivery.

Public Comments

- If you wish to speak, please state your **name** and **organization** (if applicable) in the **Q&A** box at the bottom of your screen. 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.
- If you have dialed in to this meeting, press ***9** on your phone to raise your hand. When it is your turn, we will ask you to unmute, which you can do by pressing ***6**.
- The DMAHS team thanks you for offering your comments. We will be in listening mode as we hear from you. In addition to helping us serve people the best way possible, we will pass all of your comments to CMS as part of our reporting.
- Written comments or questions will also be accepted by email to DMAHS.CMWcomments@dhs.nj.gov. Written comments must be received by August 24, 2026.