

**LEGAL NOTICE
STATE OF NEW JERSEY
DEPARTMENT OF HEALTH AND SENIOR SERVICES
DEPARTMENT OF HUMAN SERVICES
DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES**

School-Based Health Services

TAKE NOTICE the New Jersey Department of Human Services (DHS), Division of Medical Assistance and Health Services (DMAHS) intends to seek approval from the United States Department of Health and Human Services (HHS), Centers for Medicare and Medicaid Services (CMS), for an amendment to the New Jersey Medicaid (Title XIX) State Plan in order to modify the payment method for School-Based Health Services. Subject to CMS approval, effective for dates of service on and after July 1, 2024 DHS is proposing to implement a Cost Settlement and Reconciliation model for all School-Based Health Service reimbursement.

The proposed amendment to the payment methodology for specified School-Based Health Services is the implementation of a cost settlement and reconciliation model for all School-Based Health Service reimbursement. Under the proposed payment methodology, Local Education Agencies (LEAs) will continue to be reimbursed based on established statewide rates on an interim basis. At the conclusion of the fiscal year, LEAs will complete a cost report, which, with the results of an approved random moment time study (RMTS) and a Medicaid IEP ratio, will be used to determine the Medicaid reimbursable costs incurred by the LEA for the provision of direct medical services to Medicaid students. Through the cost settlement and reconciliation process, this cost will be compared to the interim payments received by the LEA to determine the final settlement amount.

The purpose of this amendment is to more accurately match payments to the cost of services being provided to Medicaid recipients receiving direct medical services, outlined on the Individualized Education Plan (IEP), in the school setting. The Certified Public Expenditure (CPE) will be furnished by the participating Local Education Agencies (LEAs). This change is contingent on approval of available federal financial participation by the Centers for Medicare and Medicaid Services.

The estimated total costs associated with this amendment for SFY 2025 and SFY 2026 are projected to be \$216,953,584 (\$108,476,792 State share) and \$220,005,831 (\$110,002,915 State share) respectively.

A copy of this Notice is available for public review at the local Medical Assistance Customer Centers and the twenty-one County Welfare Agencies.

This Notice is intended to satisfy the requirements of Federal statutes and regulations, specifically 42 CFR 447.205, and 42 U.S.C. 1396a(a)(13). A copy of this Notice is available for public review at the Medical Assistance Customer Centers, County Welfare Agencies, and the Department's 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:

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