



State of New Jersey
Department of Human Services
Division of Medical Assistance & Health Services

NEWSLETTER

Volume 11 No. 70

August 2001

TO: All Providers – For Information

SUBJECT:

- Suspension of Application Processing for NJ FamilyCare
- Change in Services for Certain NJ FamilyCare Applicants

EFFECTIVE: September 1, 2001

PURPOSE: To inform all providers of the suspension of application processing and of the change in services available to certain NJ FamilyCare-eligible individuals

BACKGROUND: New Jersey FamilyCare has proven to be a remarkably successful program. When the legislation was first introduced, the program was expected to serve a maximum of 125,000 adults over a three-year period. Instead, we will reach that target in less than one year.

The State Fiscal Year 2002 Appropriations Act directed the Commissioner to make whatever changes were necessary to ensure that NJ FamilyCare did not exceed appropriated levels. Based on current projections, it has been determined that certain adjustments should be made at this time in order for the program to remain within the appropriation.

It must be stressed that these adjustments, which are outlined below, do not affect our emphasis on families and our goal of reaching and insuring all of New Jersey's eligible children. **NJ FamilyCare will remain available to all eligible children with incomes up to 350% of the federal poverty level (FPL) and parents/caretakers with incomes up to 200% FPL. None of the approximately 200,000 people currently enrolled in the program will be affected by the changes.**

ACTION: Effective September 1, 2001, the following changes are being made to the NJ FamilyCare program:

- Enrollment will be suspended for single adults and childless couples who are not eligible for WorkFirst/General Assistance (GA) and whose applications are received after September 1, 2001. For those eligible childless couples with applications received before September 1, 2001, coverage will be provided only upon enrollment in a managed care plan. We are ending the practice of providing services on a fee-for-services basis pending enrollment in managed care.
- Enrollment will continue for the WorkFirst/General Assistance beneficiaries. However, hospital coverage will only begin once the individual is enrolled in a health maintenance organization. This ends the practice of providing hospital services on a fee-for-service basis pending enrollment in managed care. Coverage of non-hospital-based ambulatory services will continue pending beneficiary enrollment in a managed care plan. Once enrolled in a managed care plan, hospital services will be covered by the managed care plan or paid on a fee-for-service basis, depending on the type of service.
- The September 1, 2001 NJ FamilyCare identification card will carry a message indicating this service restriction.
- Providers should check the current eligibility card and should verify eligibility by calling the REVS system at 1-800-676-6562.

Questions about this newsletter may be addressed to Unisys Provider Services at 1-800-776-6334 or the Division's Hotline, at 1-800-701-0710.

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