



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

NEWSLETTER

Volume 28 No. 16

August 2018

TO: Nursing Facilities and Assisted Living Facilities

SUBJECT: MCO Capitation Rate Change and Cost Share Adjustments for July and August 2018

EFFECTIVE: Immediately

Background: Beginning July 2018, Maximum Patient Pay Liability (PPL) will be calculated based on the Nursing Facility or Home and Community Based Services (HCBS) rate underlying the blended capitation rates paid to Managed Care Organizations (MCO). This means that each MLTSS living arrangement will now have a different rate paid by NJ FamilyCare, which affects the maximum amount an individual can pay for their cost share (Max PPL). The chart below outlines the new Max PPL rates according to living arrangement.

Issue: The New Jersey Medicaid Management Information System (NJMMIS) calculates cost share differently than what is found on the Personal Responsibility (PR) form generated by the County Welfare Agencies. The PR form shows the cost share amount that the NJ FamilyCare recipient is required to pay to the facility each month. The NJMMIS system determines the cost share cut back for Fee for Service (FFS) or capitation to the MCO based upon the numbers below. In order for a provider to be made whole, the PR form cost share amount must match the systemic amount that the NJMMIS uses for cut back. This is a manual process that has to be completed at the CWA. This means that long-term care providers will be underpaid in July, 2018 and potentially August, 2018 for the individuals affected by the NJMMIS calculation.

Action: The state's fiscal agent, Molina is generating a report to identify those individuals that are affected by this change. There are 350 individuals affected by this process across the entire state. The state has notified each CWA of the issue and has provided each county office with a list of their affected cases that require PR form updates. The state has also discussed this issue with CWA leadership and has stressed the importance of a quick turnaround time to update these forms. All forms were to be updated before August 15, 2018. Once the individual PR forms are updated, the system will recycle the claims to ensure that the providers are made whole back to July 2018. In addition, the cost share amounts identified in e-MEVs will be consistent with the amount the Provider will collect from the member and/or the member's family.

Max PPL Rates Effective July, 2018		
Living Arrangement	Dual	Non-Dual
Nursing Facility	\$6,430	\$6,588
Assisted Living	\$2,498	\$3,911
MLTSS at Home	\$2,498	\$3,911

If you have any questions regarding this newsletter, please contact your CWA, MCO or Provider Relations Unit.

RETAIN THIS NEWSLETTER FOR FUTURE REFERENCE