



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

NEWSLETTER

Volume 33 No. 19

October 2023

TO: Assisted Living Providers – **For Action**
Managed Care Organizations – **For Information Only**

SUBJECT: Tiered Rate Increase- **UPDATE**

EFFECTIVE: July 01, 2023 (Replaces Volume 32- Number 21 published July 2022)

PURPOSE: The Assisted Living Program (ALP), Assisted Living Residence (ALR) and Comprehensive Personal Care Home (CPCH) tiered rate structure is available and designed to support providers that serve a high percentage of Medicaid/NJ FamilyCare beneficiaries within their facilities, and to encourage such providers to provide care to more Medicaid/NJ FamilyCare members. In addition, there is an opportunity for newly enrolled Medicaid ALR & CPCH providers to receive a higher rate based on their demonstrated commitment to serving low income patients.

BACKGROUND: Facilities will receive a per diem increase based on the percent of facility population that are enrolled in Medicaid/NJ FamilyCare. The tiered rate schedule is outlined in the table below. For the purposes of calculating a facility's Medicaid/NJ FamilyCare Percent Range, the numerator is the average daily census of Medicaid/NJ FamilyCare enrollees between October and December of the previous year. The denominator is the provider's total Department of Health licensed beds.

ACTION: The rates noted below will be effective for claims with dates of service on or after July 1, 2023. Tiers are expected to be recalculated each subsequent July, based on more recent data. Funding is from the HCBS Spend Plan which currently sunsets March of 2025.

ASSISTED LIVING TIERED RATE INCREASE SCHEDULE:

Assisted Living Resident & Comprehensive Personal Care Home Providers				
NJFC Percent Range		Fee Increase	Total Rate	
			ALR	CPCH
0%	14.99%	\$0.00	\$89.50	\$79.50
15%	29.99%	\$10.00	\$99.50	\$89.50
30%	49.99%	\$15.00	\$104.50	\$94.50
50%	69.99%	\$30.00	\$119.50	\$109.50
70%	100.00%	\$35.00	\$124.50	\$114.50
ALL Assisted Living Program Providers		\$20.00	\$89.50	

All applicable eligible and current provider rates are published on the www.njmmis.com website.

In addition to the tiered rate structure for existing facilities, Medicaid/NJ FamilyCare is providing a temporary pathway to the highest tier of the fee schedule for providers with a demonstrated commitment to serving low-income populations. Those facilities, known as Medicaid Partner Communities (MPC), are defined as providers who have a land use restriction agreement covering their facility specifying that 100% of residents will have income below 80% Area Median Income (AMI). When Medicaid Partner Communities first join the NJFC program, they are eligible for the highest applicable tier of the Existing Provider fee schedule.

- Medicaid Partner Communities will be eligible for the fee schedule below until they have participated in a minimum of two rate measurement periods or it has been 18 months from the date of their first NJ FamilyCare claim, whichever is longer.
- Only providers who submit their land use restriction agreement within 3 months of enrolling as an Assisted Living Medicaid provider will be considered for eligibility as a Medicaid Partner Community.

STANDARD ASSISTED LIVING INITIAL FEE SCHEDULE TABLE	
ALR	CPCH
\$89.50	\$79.50

MEDICAID PARTNER COMMUNITIES INITIAL FEE SCHEDULE TABLE	
ALR	CPCH
\$124.50	\$114.50

You may provide a copy of an applicable low income land use restriction agreement to the following address:

Division of Medical Assistance and Health Services
 Office of Reimbursement
 P.O. Box 712, Mail Code #44
 Trenton, NJ 08625-0712

If you have any policy questions regarding this Newsletter, please contact the Division of Medical Assistance, Office of the Chief Finance Office, at 609-588-2668.

If you have any billing questions, please contact Gainwell Technologies Provider Services at 1-800-776- 6334.

Electronic inquiries can be made via email MAHS.HospitalIssues@DHS.NJ.GOV

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