

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

**HEALTH CARE SUBSIDY FUND PAYMENTS  
PUBLIC NOTICE**

**TAKE NOTICE** that the New Jersey Department of Health (DOH), in coordination with the Department of Human Services (DHS), Division of Medical Assistance and Health Services, intends to seek approval from the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services, for an amendment to the New Jersey Medicaid (Title XIX) State Plan, in order to implement proposed State Fiscal Year (SFY) 2019 budget provisions. This Notice is intended to satisfy the requirements of Federal law and regulations, specifically, 42 U.S.C. § 1396a(a)(13) and 42 CFR 447.205.

If this proposal is approved as part of the SFY 2019 Appropriations Act, then, notwithstanding the provisions of section 3 of P.L.2004, c.113 (C.26:2H-18.59i) or any law or regulation to the contrary, the appropriation for Health Care Subsidy Fund Payments is subject to the following condition: the distribution of Charity Care funding shall be calculated in the following manner:

(a) source data for the most recent census data shall be from the 2016 5-Year American Community Survey;

(b) source data used shall be from calendar years (CY) 2016 for documented charity care claims data and hospital-specific gross revenue for charity care patients and shall include all adjustments and void claims related to calendar years 2016 and any prior

year submitted claims, as submitted by each acute care hospital or determined by the Department of Health (DOH);

(c) source data used for CY 2016 documented charity care for each hospital's total gross revenue for all patients shall be from the CY 2016 Acute Care Hospital Cost Report as defined by Form E4, Line 1, Column E data and shall be according to the DOH due date of June 30, 2017 as submitted by Oct 31, 2017 by each acute care hospital, and source data used for Medicare Cost Report data shall be from CY 2015;

(d) in the event that an eligible hospital failed to submit the CY 2016 Acute Care Hospital Cost Report as defined by Form E4, Line 1, Column E data according to the source data from their CY 2015 Acute Care Hospital Cost Report shall be used for hospital-specific gross revenue for charity care patients and for hospital total gross revenue for all patients as defined by Form E4, Line 1, Column E;

(e) in the event that an eligible hospital failed to submit a full year CY 2016 Acute Care Hospital Cost Report, source data from a supplemental 2016 Acute Care Hospital Cost Report shall be used for hospital-specific gross revenue for charity care patients and for hospital total gross revenue for all patients as defined by Form E4, Line 1, Column E;

(f) for each eligible hospital, except those designated 96% by their hospital-specific reimbursed documented charity care, a proportionate decrease shall be applied to its calculated subsidy based on its percentage of total subsidy such that the total calculated subsidy for all hospitals shall equal \$252,000,000; and

(g) the resulting value will constitute each eligible hospital's SFY 2019 charity care subsidy allocation.

A copy of this Notice is available for public review at the local Medical Assistance Customer Centers, County Welfare Agencies, and on the DHS 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:

Joy Lindo  
Department of Health  
Office of Legal and Regulatory Compliance  
P.O. Box 360  
Trenton, New Jersey 08625