

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

**SPECIAL HOSPITAL REIMBURSEMENT
PUBLIC NOTICE**

TAKE NOTICE that the New Jersey 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 the following State Fiscal Year (SFY) 2018 Appropriations Act provision subject to the passage of the New Jersey Fiscal Year 2018 Appropriations Act. 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 2018 Appropriations Act, then, notwithstanding the provisions of any law or regulation to the contrary and subject to the approval of the Director of the Division of Budget and Accounting, payments for special hospital prospective per diem reimbursements for Medicaid fee-for-service recipients shall be subject to the following condition: special hospitals with more than 60 but less than 102 special beds shall be reimbursed at a prospective per diem rate for Medicaid fee-for-service recipients established by the Division of Medical Assistance and Health Services as follows. The base year (state fiscal year 2016) prospective per diem rate shall be equal to the per diem rate in effect and paid on June 30, 2015 (\$981) and may in future fiscal years be updated by the economic factor specified in N.J.A.C. 10:52-5.13, subject to the approval of the Director of the Division of Budget and Accounting.

Provided, however, in the event that the number of licensed beds decreases by 20 percent or more, the prospective per diem rate may be re-determined. Any Medicaid cost reports not final settled for Medicaid fee-for-service reimbursements prior to July 1, 2016 shall be prospectively settled based on the per diem rate of \$981 adjusted from July 1, 2016 to deflate to the applicable cost report year. (For example, for SFY 2015, the per diem rate is: \$981 deflated by the appropriate SFY 2016 economic factor; and the SFY 2014 per diem rate is: the SFY 2015 per diem rate deflated by the appropriate SFY 2015 economic factor). The estimated state costs are projected to be \$2 Million for SFY 2018 (\$4 Million total cost) and \$2 Million for 2019 (\$4 Million total cost).

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:

By e-mail: margaret.rose@dhs.state.nj.us

or

By mail or fax: Margaret Rose
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Office of Legal and Regulatory Affairs
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