

**STATE OF NEW JERSEY**  
**DEPARTMENT OF HUMAN SERVICES**  
**DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES**  
**General Acute Care Critical Service Add-On for Pediatric Clients**

**TAKE NOTICE** that the New Jersey Department of Human Services (DHS), Division of Medical Assistance and Health Services (DMAHS) intends to seek approval from the United States Department of Health and Human Services (HHS), Centers for Medicare and Medicaid Services (CMS), for any necessary amendments to the New Jersey Medicaid (Title XIX) State Plan, to modify the Inpatient Critical Service Add-on methodology (NJAC 10:52:14-7). The methodology will be enhanced by adding on an additional percentage that incorporates pediatric volume. The top 25% of General Acute Care hospitals by pediatric patient volume would be eligible for this add-on. The top 10% of these hospitals will receive between a 7.5% - 15% increase while the remaining facilities will receive between a 5% - 10% rate increase. This enhanced percentage will directly result in enhanced payments to the Inpatient Acute Care General Hospitals that service the majority of New Jersey Fee-For-Service and Managed Care Medicaid pediatric clients. The add-on schedule will be published on the Department's fiscal agent's website at <https://www.njmmis.com> under "rate and code information" when available.

Governor Murphy and the NJ Department of Human Services have made significant investments to expand access to healthcare for children, including expanding covered services, increasing reimbursement rates for certain services, eliminating premiums and waiting periods to enroll in NJFamilyCare, and launching New Jersey's Cover All Kids program to achieve something both monumental and fundamental – health care for every child. The SFY23 budget signed by the Governor included funding to support a pediatric specialty services rate increase by DHS' Division of Medical Assistance and Health Services.

DMAHS estimates the increased expenditures associated with this amendment for State Fiscal Year (SFY) 2023 will be \$5.8M in total funds (\$2M State funds) and for State Fiscal Year (SFY) 2024 will be \$11.6M in total funds (\$4M State funds).

This Notice is intended to satisfy the requirements of Federal law and regulations, specifically 42 CFR 447.205, and 42 U.S.C. 1396a(a)(13). A copy of this Notice is available for public review at the Medical Assistance Customer Centers, County Welfare Agencies, and the Department's 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:

Division of Medical Assistance and Health Services

Office of Legal & Regulatory Affairs

Attention: Margaret Rose

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