

June 29th 2021

**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 (CMS), for any required amendment to the New Jersey Medicaid (Title XIX) State Plan, in order to implement the following State Fiscal Year (SFY) 2022 Appropriations Act provision subject to the passage of the New Jersey Fiscal Year 2022 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 2022 Appropriations Act, then, notwithstanding the provisions of any law or regulation to the contrary, payments for special hospital prospective per diem reimbursements for Medicaid fee-for-service recipients are subject to the following condition: subject to the approval of any required State plan amendment by CMS, special hospitals licensed pursuant to P.L.1971, c.136 (C.26:2H-1 et seq.) 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. The base year prospective per diem rate shall be equal to the per diem rate in effect and paid on June 30, 2015 and shall be updated by the economic factor specified in N.J.A.C. 10:52-5.13. Provided however, in the event that the number of licensed beds decreases by 20

percent or more, the prospective per diem rate may be renegotiated. Any Medicaid cost reports not final settled for Medicaid fee-for-service reimbursement prior to July 1, 2016 shall be prospectively settled based on the per diem rate in effect and paid on June 30, 2015, adjusted to deflate to the applicable cost report year.

The estimated total costs are projected to be \$525k (\$262k state share) for SFY 2022 and \$1.25m for SFY 2023 (\$625k State share).

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](mailto:margaret.rose@dhs.state.nj.us)

or

By mail or fax: Margaret Rose  
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