

# Comprehensive Waiver Application Overview



**THE NJ DEPARTMENT OF HUMAN  
SERVICES**

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# What is a Comprehensive Waiver?

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The Comprehensive Waiver is a collection of reform initiatives designed to:

- sustain the program long-term as a safety-net for eligible populations
- rebalance resources to reflect the changing healthcare landscape
- prepare the state to implement provisions of the federal Affordable Care Act in 2014

# Why Do We Need a Waiver?

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- Medicaid programs are matched – in part – with federal funding; all changes to the program must be approved before implemented
- NJ has 8 Medicaid waivers for various programs/services; need to consolidate to reduce administrative burden
- Medicaid grew in cost by 18% over 3 years; state must spend resources efficiently

# Comprehensive Waiver Development

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- February 2011 - Governor Chris Christie calls for a Medicaid reform plan during FY'12 budget address
- February 2011 to May 2011 – DHS, DHSS, DCF review every facet of the program, examine other states' plans, look at every possible opportunity to improve and to reform
- May 2011 - Waiver concept paper is released
- May 2011 to August 2011 - Extensive public input process
- August 2011 to September 2011 – Input is reviewed/concept paper revised/waiver application drafted and finalized
- September 2011 - Waiver is submitted to CMS/posted on DHS website

# Stakeholder/Public Input

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## Support for:

- Structural reform
- Enhanced services for underserved populations
- Preserving eligibility criteria
- Reinvestment of savings into community-based services

## Opposition to:

- Freezing AFDC/TANF+ parent population
- ER co-pay for non-emergency visits

# Bottom Line

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The Comprehensive Waiver application:

- Is a model for reform and innovation
- Streamlines program administration and operation
- Preserves eligibility and enrollment
- Does not include ER co-pay
- Enhances services to specialty populations
- Rewards efficiency in care



# The details by category

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**WHAT DOES IT ALL MEAN?**

# What about... Streamlined Operations?

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The waiver includes:

- Nearly all services and eligible populations served under a single operating authority
- Tiered decision making for proposed program changes
- Competitively bid contracts
- Automated eligibility determination system



# What about... Eligibility and Enrollment?

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The waiver:

- Seeks increased FMAP to preserve eligibility for 1,200 childless adults and AFDC/TANF to 133% FPL
- Requires 10-day plan selection or auto-enroll
- Eliminates prior quarter coverage
- Seeks retroactive Medicare Part B reimbursement
- Advances Health Insurance Premium Payment (HIPP) program

# What about... Benefits and Provider Payments?

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The waiver provides:

- Flexibility to define covered services, eligibility and cost-sharing, if necessary
- Task force to create recommendations on reducing non emergency client ER use
- Increased Primary Care Provider rates
- Equalized payments for in- vs. out-of-state providers
- Evolution toward global/bundled payment structure

# What about... Delivery System Innovations?

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The waiver provides improved quality and outcomes with:

- Mandatory managed care enrollment
- Duals and Medicare Special Needs Plans (SNPs)
- Health homes
- Accountable Care Organizations
- Administrative Service Organizations
- Team-based pharmacy pilot

# What about... Senior Services?

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The waiver includes:

- Incentive for increasing provider network capacity
- Chronic disease self management programming
- Rebalancing long-term-care through delayed placement and investment in community-based options for care
- Spend down for alternative LTC placement
- Coordination with SNPs for duals
- Health homes for seniors

# What about... Managed Long Term Care?

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- Statewide roll-out begins July 1, 2012
- Integrates in/out home PC, BH and acute care services
- Utilizes IT to automate integration of case management and support coordination
- Provides client directed services for personal care assistance
- Transitions PACE to 'PACE-like' health home services
- Ensures readiness reviews prior to implementation

# What about... Behavioral Health?

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The waiver would:

- Improve access and manage costs to physical health (PH)/BH care services
- Launch Managed BH Organization (MBHO/ASO)
- Braid state and federal funding
- Rebalance provider rates
- Transition from no-risk to risk model
- Case manage for clinical services
- Create behavioral health homes
- Provide uniform screening and assessment



# What about... Developmental Disabilities?

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The waiver would:

- Increase community-based services; decrease institutional services
- Increase services for children with MI and I/DD
- Increase access to therapies for pervasive DD
- Include Supports Waiver for in-home, self-directed services for adults with I/DD
- Launch pilot for 200 slot in/out of home intensive supports for kids with MI+I/DD
- Launch pilot for 200 slot in/out of home intensive supports for kids (up to age 12) with pervasive DD

# What are the Program Enhancements?

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- NJ Healthy Choices program
  - Incentivize MCO members with diet, exercise and smoking cessation services for healthy choices
- Grant to reward prevention of chronic disease
- Semi-annual data analysis of performance data factors

# What are the next steps?

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- Federal review of the waiver application
- Informal and formal communications with CMS on waiver elements
- CMS submits waiver questions
- NJ responds to CMS questions
- CMS/NJ negotiations
- Waiver approval/denial

# What is the tentative timeline for implementation?

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- January 2012 – SNPs offered, expanded support to I/DD
- July 2012 – managed LTC, streamlined eligibility for LTC support
- July 2012 – BH services to children expand
- January 2013 – managed BH organization implementation

# More information

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- The full waiver application can be found online at:  
[www.state.nj.us/humanservices/](http://www.state.nj.us/humanservices/)
- Comments can be emailed to  
[CMWcomments@dhs.state.nj.us](mailto:CMWcomments@dhs.state.nj.us)