Assemblyman Greenwald:

- Please provide documentation on how the $300 million savings estimated from the Comprehensive Medicaid Waiver is allocated to the individuals components thereof. In your response, please include the ranges of savings calculated by Mercer’s actuarial consulting for categories of eligibility, services, delivery, federal revenues and purchasing strategies.

Response: Please refer to the attached “Waiver Initiative Summary”.

Assemblyman Chiusano:

- Please provide the total annual State expenditure made on the State’s healthcare system, as well as the total population served by that expenditure.

Response: Between the Departments of Health and Senior Services and Human Services, approximately $5.8 billion (State funds only) is appropriated for healthcare related programs in SFY12 serving more than 1.3 million beneficiaries. There are other appropriated healthcare related resources and beneficiaries served in other Departments (e.g. DCF, Corrections, Judiciary, MAVA), however, this response only covers the two Departments that appeared in front of the Assembly Budget Committee on May 24, 2011.

Assemblyman Schaefer:

- Please provide information as to how child support income is treated with respect to eligibility for TANF benefits. Also, if child support benefits are not received by the custodial parent in a given month, are TANF benefits automatically adjusted? Is it the responsibility of the custodial parent to report the non-receipt of child support benefits, or are the Division of Family Development and the county welfare office automatically aware of the non-receipt of child support benefits? How are lump sum child support payments treated with respect to TANF benefits?

Response: As a condition of eligibility for Work First New Jersey Temporary Assistance for Needy Families (WFNJ/TANF), an applicant must assign all rights to child support income to the state (42 U.S.C. 608(a)(3)). As a result of this assignment of rights, WFNJ/TANF applicants/recipients are required to cooperate with the Office of Child Support Services (OCSS) for locating the non-custodial parent and establishing/enforcing child support orders.
Financial eligibility information for WFNJ/TANF can be found in N.J.A.C. 10:90-3. An initial eligibility test is conducted where all countable income (including child support) shall be considered and compared to the initial maximum allowable income levels for the appropriate eligible family size to determine monthly benefit amount.

There is no change to TANF benefits received if child support payments are not collected. However, the $100 disregard amount that is paid to the custodial parent from a portion of the child support payment will not be paid until the child support amount has been collected.

It is not the responsibility of the custodial parent to report non-receipt of child support. The Office of Child Support Services (OCSS) is the responsible party for tracking and recording child support collections.

Lump sum collections received would first be applied to meet the current monthly support obligation. Any remaining lump sum balance would be utilized to repay arrears on the child support case in accordance with 42 U.S.C. 657 and N.J.A.C. 10:110-17.1. There is no impact to TANF benefits.
## Confidential - Waiver Savings
### FY12

<table>
<thead>
<tr>
<th>State-Only in $000's</th>
<th>FY12 Comprehensive Waiver Savings Range</th>
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<tbody>
<tr>
<td></td>
<td>Low</td>
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### Waiver Initiatives

#### Eligibility
- Freeze New Enrollment up to 134% FPL
- Eliminate Prior Quarter Coverage
- Prospective Enrollment
- 10 Day Choice Window

| Eligibility Subtotal | 17,000 | 32,500 | 8.4% - 9.4% |

#### Services
- Benefit Flexibility
  - Adopt limits on amount, duration & scope of service

| Services Subtotal | 2,000 | 5,000 | 1.0% - 1.4% |

#### Delivery System
- Managing Acute / Medical Care
- Promote Competition
- Pilot Accountable Care Organizations
- Support Health Homes
- Integrate Behavioral Health Services for Certain adults/children with Moderate Behavioral Health Needs
- Incentives for integrating physical/behavioral health for Individuals under behavioral health ASO
- ACO for GA

| Delivery System Subtotal | 16,000 | 40,000 | 7.9% - 11.6% |

#### Prudent Purchasing
- Payments to Providers
  - Medicare Rates for Primary Care
  - Health Home Payments
  - Rebalancing of Community Behavioral Health Fees
  - Payments for Out-of-State providers
  - Promoting negotiations between HMOs/FFS & Hospitals

| Prudent Purchasing Subtotal | 34,000 | 67,500 | 16.8% - 19.6% |

#### Federal Revenue
- Medicare Part B Retro - One Time
- Mandating Medicaid application for DD

| Federal Revenue Subtotal | 133,500 | 200,000 | 65.9% - 58.0% |

| Waiver Initiative Subtotal | 202,500 | 345,000 | 100.0% - 100.0% |