Assemblyman Prieto:

- Please provide information as to the amount Mercer Health and Benefits, LLC. was reimbursed for consulting services related to its work on the Comprehensive Medicaid Waiver.

  **Answer:** Mercer Consulting was reimbursed $148,000 (gross costs) for New Jersey’s Comprehensive Waiver design and concept development process and an additional $798,000 (gross costs) for the Waiver’s development and submission phase. The State share costs were $65,600 and $353,600, respectively.

  These costs included Waiver consulting services to the Divisions of Medical Assistance and Health Services, Disability Services, Mental Health and Addiction Services, and Developmental Disabilities within the Department of Human Services, and the Departments of Health and Senior Services and Children and Families.

  Final decisions regarding policies that are being pursued in the waiver were made by the State.

- With respect to the Comprehensive Medicaid Waiver, please provide information as to the amount of additional federal reimbursement anticipated if the federal government approved the State’s request for reimbursement greater than the current 65% received for parents with incomes under 133% of the Federal Poverty Level.

  **Answer:** The State projected to receive an additional $32.5 million in an enhanced federal reimbursement rate (65% to 75%) for the FamilyCare Parent population up to 133% of the Federal Poverty Level during State fiscal year 2012. Savings assumed an October 1, 2011 start date and will annualize to a greater savings over an entire fiscal year.

Assemblymen Prieto, Schaer and Burzichelli:

- Reimbursement to nursing homes has been reduced the past several fiscal years. In consultation with the Department of Health and Senior Services, please indicate what impact these funding reductions have had on the overall financial health of the nursing home industry?

  Specifically, are the departments aware of any nursing homes that are in financial difficulty as a result of these Medicaid funding reductions?
Answer: The State has only seen two nursing facilities file for bankruptcy to reorganize in the past seven years and none in the past year. Neither of the bankruptcies resulted in a facility closing. This is an extremely small percentage of homes given that there are a total of 358 nursing homes that accept Medicaid in New Jersey. In fact, the number of licensed beds in New Jersey has risen by 787 since June 2008. Some county nursing facilities which historically have operated at higher costs and received higher Medicaid reimbursement than private nursing facilities are reevaluating whether they wish to continue these county-subsidized facilities.

The Department of Health and Senior Services has licensing standards in effect to monitor facilities in danger of bankruptcy and to protect the residents of those facilities.

The FY 2012 appropriations act limited nursing home rate increases or decreases to a plus or minus $10.00 range. Please provide the following: (1) The number of nursing homes affected by the plus $10.00 limit; (2) The number of nursing homes affected by the minus $10.00 limit; and (3) The number of nursing homes not affected by the $10.00 limit. Please differentiate between county operated or administered nursing homes and proprietary nursing homes in (1) – (3).

Answer:

<table>
<thead>
<tr>
<th>Type</th>
<th>Number of Nursing Facilities with an Increase in Rate</th>
<th>Number of Nursing Facilities with No Effect on Rate</th>
<th>Number of Nursing Facilities with a Decrease in Rate</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>County</td>
<td>0</td>
<td>0</td>
<td>18</td>
<td>18</td>
</tr>
<tr>
<td>Non-County</td>
<td>2</td>
<td>0</td>
<td>338</td>
<td>340</td>
</tr>
<tr>
<td>Total</td>
<td>2</td>
<td>0</td>
<td>356</td>
<td>358</td>
</tr>
</tbody>
</table>

- With respect to the FY 2013 recommended budget that nursing home rate increases or decreases be limited to a plus or minus $5.00 range, please provide the following: (1) The number of nursing homes affected by the plus $5.00 limit; (2) The number of nursing homes affected by the minus $5.00 limit; and (3) The number of nursing homes not affected by the $5.00 limit. Please differentiate between county operated or administered nursing homes and proprietary nursing homes in (1) – (3).
**Answer:** The Department of Health and Senior Services prepared a model of what nursing home rates would be expected to be for FY 2013 using a $10 million increase in State and federal funding and a $5.00 corridor. The chart below summarizes that information. This model was not based on the most current cost data which will likely be available in June.

<table>
<thead>
<tr>
<th>Type</th>
<th>Estimated Number of Nursing Facilities with an Increase in Rate</th>
<th>Estimated Number of Nursing Facilities with No Effect on Rate</th>
<th>Estimated Number of Nursing Facilities with a Decrease in Rate</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>County</td>
<td>10</td>
<td>0</td>
<td>7</td>
<td>17</td>
</tr>
<tr>
<td>Non-County</td>
<td>270</td>
<td>0</td>
<td>71</td>
<td>341</td>
</tr>
<tr>
<td>Total</td>
<td>280</td>
<td>0</td>
<td>78</td>
<td>358</td>
</tr>
</tbody>
</table>

Assemblyman Singleton:

- Excluding the physicians employed at State developmental centers, State and county psychiatric hospitals, and the three State veterans homes, please provide information on the ten physicians who prescribe the most medications in the Medicaid program, particularly psychotropic medications. In addition, please provide information as to the procedures used by the State and managed care organizations to assure that medications are being properly and appropriately prescribed.

**Answer:** The table below shows the top 10 prescribers of psychotropic medications:

<table>
<thead>
<tr>
<th>Prescriber Name</th>
<th>Prescriptions filled for this Prescriber</th>
</tr>
</thead>
<tbody>
<tr>
<td>GOMEZ-RIVERA, J</td>
<td>5,565</td>
</tr>
<tr>
<td>ONEILL, P</td>
<td>5,490</td>
</tr>
<tr>
<td>LIM, V</td>
<td>5,072</td>
</tr>
<tr>
<td>GERECKI, S</td>
<td>4,574</td>
</tr>
<tr>
<td>SHAH, D</td>
<td>4,043</td>
</tr>
<tr>
<td>DICOVSKY, C</td>
<td>3,986</td>
</tr>
<tr>
<td>GARCIA, P</td>
<td>3,428</td>
</tr>
<tr>
<td>O'KINSKY, A</td>
<td>3,355</td>
</tr>
<tr>
<td>NAGY-HALLETT, A</td>
<td>3,232</td>
</tr>
<tr>
<td>DAVIS, R</td>
<td>3,173</td>
</tr>
</tbody>
</table>

In accordance with 42 CFR 456.716 (Drug Utilization Review Board); the Social Security Act Section 1927(g)(3)(C); Public Law 1993, c. 16; and the terms and conditions of the Medicaid managed care contract, the State supports a drug utilization review program designed to monitor the safe and effective use of prescription drugs.
Collectively, these procedures comprise a drug utilization review program designed to examine prescription drug use prior to prescriptions being dispensed (i.e. prospective drug utilization reviews) and post payment (i.e. retrospective drug utilization reviews). Areas of review include, but may not be limited to, drug-drug interactions, maximum daily dosage, the duration of drug use and therapeutic duplication (i.e. multiple drugs from the same drug class being prescribed concurrently).

The foundation for the State’s drug utilization review program is utilization review standards recommended by the New Jersey State Drug Utilization Review Board and approved by the Commissioners of Human Services and Health and Senior Services. Protocols for such standards provide criteria for both the approval and denial of drug therapy applied as part of a prior authorization process for fee-for-service claims.

The Division is in the process of sharing utilization review protocols with our HMO partners to ensure that HMO policies and procedures reflect State standards for the effective and appropriate use of prescription drugs.

Information about the New Jersey State Drug Utilization Review Board may be found on the NJDUR website at http://nj.gov/humanservices/dmahs/boards/durb/. Most importantly, the website includes the reports provided to the State Legislature annually by the Drug Utilization Review Board.

- The FY 2013 recommended budget provides funds to enable 175 persons in State developmental centers to be placed into various residential programs. Understanding that placement arrangements may change, please provide information as to how many of the 175 clients may be placed into: (1) Group homes; (2) Supervised apartments; and (3) Supported living arrangements. In addition, of the 175 clients: (1) How many persons may be placed in existing vacant slots; and (2) How many new residential placements may have to be developed?

**Answer:** DDD anticipates developing 155–165 new beds related to Olmstead. It is expected that nearly all consumers placed into the community will move to group homes, with approximately 10-20 served through existing residential capacity or rental subsidies.

- Please respond to any additional questions submitted by the Chair on behalf of Assemblyman Singleton.
**Answer:** Through the Chair, the Department had previously responded to Assemblyman Singleton’s questions on March 20, 2012. We are not aware of any outstanding questions.

In addition to the follow up questions above advanced to us from the Assembly Budget Committee, we were also asked to provide Equal Employment Opportunity (EEO) information regarding our executive management staff who takes the lead on policy decisions at the Department. Below are the Department statistics promised to Assemblywoman Bonnie Watson Coleman:

<table>
<thead>
<tr>
<th>White Female</th>
<th>Black Female</th>
<th>Hispanic Female</th>
<th>Hispanic Male</th>
<th>White Male</th>
</tr>
</thead>
<tbody>
<tr>
<td>7</td>
<td>5</td>
<td>1</td>
<td>2</td>
<td><strong>11</strong> (3 staff have self-identified disabilities)</td>
</tr>
</tbody>
</table>