



State of New Jersey
Department of Human Services

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Governor

Carole Johnson
Commissioner

Sheila Y. Oliver
Lt. Governor

September 25, 2020

The Honorable Eliana Pintor Marin
c/o Frank Haines
Legislative Budget and Finance Officer
Office of Legislative Services
State House Annex, P.O. Box 068
Trenton, New Jersey 08625-0068

Dear Chairwoman Pintor Marin,

Please accept the following responses from the Department of Human Services to questions conveyed in follow-up correspondence from the Assembly Budget Committee.

Assemblyman Wirths

Question: Please itemize the federal funds received by the department in response to the coronavirus disease 2019 pandemic, for each item setting forth the following: amount, source, division and use, and to what extent the funds offset State appropriations and in what fiscal years.

DHS Response: Please see Attachment A. In addition to the amounts outlined in the attachment, the following are being allocated from the Coronavirus Relief Fund. Coronavirus Relief Fund (CRF) allocations are subject to future statutes that modify the federal CARES Act, new federal appropriations, confirmation of actual expenditures incurred, the identification of additional unmet COVID-19 needs, and new guidance from the U.S. Treasury.

- Child Care Capacity (\$250 million) – Funding will provide support to children and their families as schools work to reopen and families need help affording unbudgeted child care costs during remote school days. It also will support thousands of child care providers as they work to sustain their services in light of new costs related to complying with COVID health and safety requirements.

- Substance Use and Mental Health Support (\$50 million) – Funding will support access to mental health and substance use disorder care by helping providers to remain open and accessible by reimbursing their unbudgeted costs related to COVID-19 including PPE, testing, health information technology to support telehealth, and emergency staffing costs. A portion of this funding is allocated to the Department of Children and Families.
- Additional Provider Assistance and PPE (\$25 million) – In collaboration with the Department of Children and Families, Human Services will provide reimbursement to community-based providers who serve some of our most vulnerable populations with necessary PPE and other support related to COVID response to allow them to continue to meet the social service needs of those we serve.
- Increased Income Assistance Needs (\$10 million) – This funding will support the pressing needs of the growing numbers of individuals with very low incomes facing critical financial strain as a result of the COVID crisis by providing cash assistance and other supports. These are very vulnerable individuals with increased risk of acquiring COVID without support.
- County Benefits Administration (\$10 million) – County boards of social services are the frontline workforce with respect to in-person enrollment in critical health and social services programs such as Medicaid, SNAP food assistance, and general assistance. As the pandemic has caused enrollment to grow and it is expected to continue to grow should a second surge of the virus occur this fall, counties have faced increased demands on their staff to support timely assistance to New Jerseyans in need. These resources will assist counties in meeting this demand including through technology and staff costs necessary to ensure timely support for New Jerseyans in need.
- Homeless Prevention (\$12 million) – During the COVID-19 pandemic, many New Jerseyans have suffered severe financial hardship due to job loss, reduced work hours or the need to quarantine, among other circumstances. Funding will provide a rental assistance to eligible households with low incomes that have suffered a financial hardship due to COVID-19, such as loss of income or working fewer hours, and are behind in rent payments and are at significant risk for homelessness.
- DOH/DHS Emergency Rates (\$23 million) – This funding is shared among Departments. A portion of this funding will offset costs of providing an enhanced hourly emergency rate to employees working to prevent the spread of the virus and caring for individuals in the five DHS operated Developmental Centers.

Assemblyman Benson

Question: Please provide the average time elapsed between receipt of a NJ FamilyCare application by the eligibility-determining agency and the receipt of an identification card by a beneficiary, by county and source of application (online or paper), for the most recent 12 months for which that information is available.

DHS Response: The average eligibility processing times by Eligibility Determining Agency for both NJ FamilyCare (Modified Adjusted Gross Income or MAGI) and for Aged, Blind, and Disabled (ABD) long term care applications are outlined below. Please note that both Camden and Morris County Boards of Social Services do not process NJ FamilyCare MAGI applications, they only process ABD program applications. Their MAGI applications are processed by the State Health Benefits Coordinator. The federal guidelines allow 45 days to process NJ FamilyCare MAGI applications. Guidelines for ABD applications are longer, at 90 days, due to the fact that a more intensive federally mandated financial review is required to ensure assets have not been transferred. All counties are engaged in weekly production reporting with DMAHS, including discussion of corrective action underway to address any noted trends or deficiencies in application processing. NJ's Health Benefit ID Card (HBID) is issued to new members within a week of being determined eligible. Any member who experienced a break in coverage or was reinstated into the NJ FamilyCare program within one year will generally not be issued a new card upon reinstatement, but instead their current card is reactivated by the State upon their reinstatement.

**Average Application Processing Times (Days)
by Eligibility Determination Agency
3/1/20-8/31/20**

County	MAGI	ABD
Health Benefits Coordinator	13.14	N/A
Atlantic County Dept of Family and Comm Development	41.30	54.01
Bergen County Board of Social Services	28.18	29.70
Burlington County Board of Social Services	12.32	45.66
Camden County Board of Social Services	N/A	91.32
Cape May County Department of Social Services	26.47	29.20
Cumberland County Board of Social Services	17.06	20.50
Essex County Dept of Citizen Services	29.45	71.50
Gloucester County Division of Social Services	20.21	23.66
Hudson County Dept of Family Services	18.17	23.96
Hunterdon County Dept of Human Services*	85.75	78.67
Mercer County Board of Social Services	29.99	27.68
Middlesex County Board of Social Services	24.16	19.41

Monmouth County Division of Social Services	27.64	77.42
Morris County Office of Temp Assistance	N/A	63.09
Ocean County Board of Social Services	20.46	52.17
Passaic County Board of Social Services	49.13	68.72
Salem County Board of Social Services	17.77	38.97
Somerset County Board of Social Services	29.59	40.62
Sussex County Division of Social Services	32.28	76.51
Union County Division of Social Services	65.05	66.10
Warren County Division of Temp Assistance And Social Services	23.66	31.58

*Note that Hunterdon County application volume is low and reported averages are impacted by three outlier cases that were processed in the portal during the period.

Assemblyman Johnson

Question: The Drug Courts Program is designed to stop criminal activity related to the abuse of alcohol and other drugs. While administered by the Administrative Office of the Courts, the department provides program participants with the full continuum of substance abuse treatment services.

Please provide the following evaluation data regarding the Drug Courts Program for the traditional FY 2020 and anticipated in the traditional FY 2021: active cases; number of graduates; and utilization by service, county, and dollar amount. Based upon these data and any other evidence, are there any service gaps within the program that need to be addressed? If so, what are the department’s plans?

DHS Response: Please see Attachment B for evaluation data. As always, permanent housing and access to outpatient treatment services for vulnerable populations are incredibly important, and the Department continually works with the Drug Court and provider partners to maximize availability of these services.

Assemblywoman DiMaso

Question: Federally Qualified Healthcare Centers (FQHCs) provide community-based primary care services in underserved areas. In New Jersey, FQHCs are reimbursed for Medicaid-eligible claims through the Prospective Payment System. Frequently, the payments from managed care organizations to FQHCs are less than the full Prospective Payment System rates. In these

situations, the State is required by the federal Medicaid statute to make a “wraparound payment” equal to the difference between the two rates.

Please provide information regarding the current FQHC Medicaid reimbursement rates, specifically the calculation of the “wraparound payments.” Please share any data regarding the financial stability of FQHCs as it relates to the Medicaid reimbursement rates, specifically information concerning the cost of services and operation compared to the Medicaid reimbursement rates.

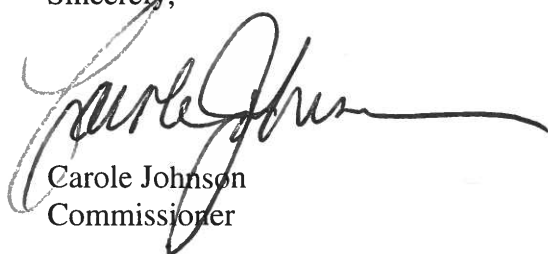
DHS Response: DMAHS uses Prospective Payment System (PPS) encounter rates to pay FQHCS and takes action to address any disparities in Medicaid reimbursement rates compared to other Medicaid providers. The FQHC PPS encounter rate is higher compared to the other Medicaid providers. FQHCs state-wide average PPS encounter rate for CY 2020 is \$154.31. During FY 2020, total HMO payments to FQHCs were \$50.1 million, with an additional \$74.3 million provided as wraparound payments, for total reimbursements of \$124.4 million.

To be eligible for wraparound reimbursement, DMAHS require FQHCs to submit an electronic file containing detailed claim level data from the Center for reported encounters, HMO payments, third-party liability (TPL) payments and all applicable reporting Schedules for the quarter.

DMAHS performs claim review prior to issuing wraparound payment. DMAHS reviews supporting claim data in detail to determine whether the claims are eligible for reimbursement under program rules and processes wraparound payments accordingly. Any request for wraparound payment that is not supported by claim data and/or program rules is ineligible for wraparound reimbursement. DHS does not track the financial stability of FQHCs.

Thank you for the opportunity to respond and for your continued support for the work of the Department of Human Services.

Sincerely,



Carole Johnson
Commissioner

FEDERAL RESOURCES AND SPENDING as of 9/8/20

CFS Account Number	Dept/Division	Program Description	Budget Authorized		USE
			Amt	Expended Total Amt	
FY20					
FY20 - Multiple Accounts	DCF	ENHANCED FEDERAL MEDICAL ASSISTANCE PERCENTAGE (FMAP)	\$ 13,428,212	\$ 13,278,146	Transferred to DCF
FY20 - Multiple Accounts	DOH	ENHANCED FEDERAL MEDICAL ASSISTANCE PERCENTAGE (FMAP)	\$ 17,970,700	\$ 7,641,500	Transferred to DOH
FY20 - Multiple Accounts	DHS - All Divisions	ENHANCED FEDERAL MEDICAL ASSISTANCE PERCENTAGE (FMAP)	\$ 435,961,024	\$ 381,095,645	Budget Relief / Provider Assistance. Budget Authorized Amount for FMAP accounts reflect initial CMS estimates, expenditures reflect actual revenue earned.
2020-100-082-2097-010	Treasury	OMBUDSPERSON - OLDER AMERICANS ACT TITLE III	\$ 530,072	\$ -	FMAP - Non-DHS
2020-100-054-7530-118	DHS - Aging	COVID OA TITLE III HDC2	\$ 4,240,578	\$ 4,240,578	Funding to counties to support nutritional meals to support older adults
2020-100-054-7530-119	DHS - Aging	COVID OA TITLE III CMC2	\$ 2,120,289	\$ 2,120,289	Funding to counties for delivered and grab and go meals to support older adults who received meals through a congregate nutrition site
2020-100-054-7530-122	DHS - Aging	COVID-SS TITLE IIIB	\$ 5,300,723	\$ 5,035,690	Funding to counties to support nutritional meals to support older adults
2020-100-054-7530-124	DHS - Aging	COVID TITLE III E	\$ 2,671,147	\$ 2,537,589	Funding to counties for expanded supports for family caregivers including counseling, respite care, training, and information.
2020-100-054-7530-125	DHS - Aging	COVID TITLE III C	\$ 12,721,735	\$ 12,085,650	Funding to counties to support nutritional meals to support older adults
2020-100-054-7530-126	DHS - Aging	COVID-19 ADRC	\$ 1,105,454	\$ 8,929	Funding to counties to support Aging and Disability Resource Center (ADRC) efforts to prevent, prepare for, and respond to, COVID-19.
2020-100-054-7550-551	DHS - DFD	COVID-19 CARES ACT STIMULUS	\$ 63,058,005	\$ 52,878,475	Child Care services for essential workers
2020-100-054-7700-257	DHS - Mental Health	COVID-19 NEW JERSEY EMERGENCY	\$ 2,000,000	\$ 62	Expanded behavioral health and addictions treatments and supports to adults and children impacted by the COVID-19 virus. Expenditures expected before end of CY2020. Of this amount, \$160,000 is allocated to DCF for their clients.
2020-100-054-7700-258	DHS - Mental Health	DR4488 COVID-19 FEMA-NJ	\$ 882,035	\$ 336,333	Mental Health Crisis Counseling related to COVID 19 pandemic recovery.
Multiple	DHS - All Divisions	CRF/FEMA COVID EXPEND REIMBURSMENT	\$ 7,200,629	\$ 7,107,752	CRF/FEMA COVID cost reimbursements. Variance between columns reflect encumbered funds yet to be disbursed.
FY21					
FY21 - Multiple Accounts	DCF	ENHANCED FEDERAL MEDICAL ASSISTANCE PERCENTAGE (FMAP)	\$ 6,582,816	\$ 585,624	Transferred to DCF
2021-100-046-4220-571	DOH	EARLY INTERVENTION PROGRAM FOR MEDICAID RECIPIENTS	\$ 2,177,812	\$ -	Transferred to DOH
FY21 - Multiple Accounts	DHS - All Divisions	ENHANCED FEDERAL MEDICAL ASSISTANCE PERCENTAGE (FMAP)	\$ 212,647,943	\$ 92,069,976	Budget Relief / Provider Assistance. Budget Authorized Amount for FMAP accounts reflect initial CMS estimates, expenditures reflect actual revenue earned. Figures reflect July-Sept quarter only. Financial transactions to allocate expenditures still in process.
2021-100-054-7700-TBD	DHS - Mental Health	Hope and Healing Crisis Counseling	\$ 9,791,555	\$ -	Mental Health Crisis Counseling related to COVID 19 pandemic recovery. Award date of 9/22/2020, expenditures to begin imminently.

FY21 FMAP allocations do not yet include estimates for the quarter October-December 2020.

DMHAS
Participant Data for OLS/Assembly Questions
Drug Court
FY20/21 (DATA AS PROVIDED BY AOC)

	FY20	FY21 Projection
Total Active Participants (not all in treatment) – End of FY20 and Projected, on average, for FY21	6,300	7,300
Total Unique Clients Served (treated) - per NJSAMS (includes FFS and Medicaid)	5,489	5,863
Total FY20 Graduates and expected Graduates for FY21	506	500