

# THE MANY FACES OF NEW JERSEY MEDICAID – UPDATE

By: Valerie A. Powers Smith, Esq.

Traditionally in New Jersey, Medicaid benefits are obtained through the State Medicaid Plan, whether it be under the fee-for-service or managed care model, for those with disabilities who meet categorical (e.g., disabled as determined by the Social Security Administration, low income families with dependent children, children under age 21, and individuals age 65 and older) and financial (vary by program) eligibility requirements. To be eligible, one must also be a resident of New Jersey and a United States citizen. This article briefly discusses the different programs under which New Jersey provides Medicaid services.

## Medicaid Programs in New Jersey

**The Supplemental Security Income (SSI)** is administered through the Social Security Administration (SSA) and provides cash to individuals who meet the income (approximately \$600/month for individuals & \$800/month for couples) and resource (up to \$2,000 for individuals & \$3,000 for couples) limits. In New Jersey, those receiving SSI also receive Medicaid coverage.

**Aid to Families with Dependent Children (AFDC Medicaid)** provides full Medicaid coverage to low income families without regard to resources. Under AFDC Medicaid, a family of four can earn no greater than \$507 per month.

**The Early Periodic Screening, Diagnosis & Treatment (EPSDT) Program** is Medicaid's comprehensive and preventive health program for children under age 21. To receive services under EPSDT, one must be under the age of 21 and the services must be medically necessary as recommended by the treating physician.

**Work First New Jersey/General Assistance** provides cash and medical assistance to single individuals who have a monthly income of less than \$140 per month (\$210/month for those unable to work); and to couples without minor dependent children with less than \$193 gross income per month (\$289/month for those medically certified as unable to work). Inpatient and outpatient hospital services are not covered under this program.

**New Jersey Care Special Medicaid Program** serves the aged, blind and disabled population and provides comprehensive medical coverage to those who meet the income (\$798/month for individuals & \$1,070/month for couples) and resource (\$4,000 for individuals & \$6,000 for couples) limits.

**Medically Needy** has two programs: **Children & Pregnant Women** and **Aged, blind or Disabled (ABD)**. Both programs feature a spend down provision in which documented medical expenses can be used to reduce one's monthly income to meet the program's limitations. The **Children & Pregnant Women** program provides limited medical coverage to children under 21 years, who are disqualified for eligibility under other Medicaid programs due to income and resources. The program limit for income is \$367/month for individuals and up to \$4,000 for resources. The **ABD** program is a Special Medicaid Program that provides limited coverage to aged or disabled individuals who are disqualified for other

Medicaid programs due to their income and resources. The program limit for income is \$367/month for individuals and \$434/month for couples. The resource limit is up to \$4,000 for individuals and \$6,000 for couples.

**Split Application Medicaid** is for disabled children who are not income-eligible for Medicaid through SSI or otherwise because of their parents' income; and who have a non-disabled sibling. Parents must apply for both children under the **Medically Needy program**. Under the "split application" analysis, the parents' income is deemed to the child without a disability and the child with the disability is now considered on his/her own, so the child with the disability will now meet the income eligibility requirements. The disabled child must also meet the SSI disability requirements and the resource limit of \$6,000.

**Institutional Medicaid** provides Medicaid payment for institutional stays (such as, nursing home care) for those who meet both financial criteria (\$1,737/month in income & up to \$2,000 in resources) and medical necessity requirements.

**New Jersey WorkAbility Program** is for individuals between 16 and 65 years of age, who have been determined to be permanently disabled by SSA or the Division of Medical Assistance & Health Services, and are employed. Income limits for individuals may be up to 250% of the Federal Poverty Level (that is, 250% of \$9,080) and resources up to \$20,000.

If a child under age 18 is ineligible for Medicaid because of parental income or resources, the New Jersey Division of Developmental Disabilities (DDD) offers to its clients a Medicaid-funded waiver program, the **Community Care Waiver**, that "waives" the consideration of parental income/resources. The income and resources of the child are still considered but eligibility can be obtained using a special needs trust. For those 18 years and older, while the resource limitation is still \$2,000, the income limitation is higher (approximately \$2,022/month).

The New Jersey Division of Disability Services administers the majority of Medicaid-funded waiver programs in New Jersey. Among those programs are the: (1) **Community Resources to People with Disabilities (CRPD)** - serves Medicaid beneficiaries with disabilities of all ages and provides services in addition to full Medicaid benefits to those who would otherwise be unable to live in the community and who meet the income (\$1,737/month) and resource (\$2,000) guidelines; (2) **ABC Waiver** - serves medically fragile children under the care and supervision of DYFS; (3) **AIDS Community Care Alternatives Program (ACCAP)** - serves any age with AIDS & children up to age 13 who are HIV positive, who meet the program income and resource limits; and (4) **Traumatic Brain Injury (TBI) Waiver** - serves people with TBI between the age of 18 and 64 and provides services in addition to full Medicaid coverage to those who meet the Institutional Medicaid financial requirements. All of the aforementioned waivers have individual medical necessity requirements and other program-specific requirements. For more information, contact DDS at (609) 588-2621.

The New Jersey Department of Health & Senior Services (DOHSS) administers the following Medicaid-funded waiver programs: (1) **Enhanced Community Options** - offers care alternatives to individuals who would otherwise qualify for placement in a nursing home and who are financially eligible for Institutional Medicaid; and (2) **the Community Care Program for the Elderly and Disabled (CCPED)** - provides assistance that allows individuals to remain in (or return to) the community, rather

than being cared for in a nursing home or hospital to those who meet Institutional Medicaid financial requirements.

**Note:** On October 2, 2012, CMS approved NJ's Medicaid section 1115 demonstration proposal (a.k.a., Comprehensive Waiver), which seeks to provide comprehensive health care benefits for approximately 1.3 million individuals, including individuals eligible for benefits under New Jersey's Medicaid Program and additional populations eligible only under the demonstration. The new 5-year demonstration will consolidate the delivery of services under a number of separate State initiatives, including its Medicaid State plan, existing CHIP State plan, its previous Childless Adults section 1115 demonstration, four previous 1915(c) waiver programs and a previous State-funded Childless Adult program. The demonstration will require approximately 98 percent or 1.3 million beneficiaries to enroll in Managed Care Organizations (MCOs), with approximately 75,000 beneficiaries enrolled in Medicaid fee-for-service (FFS). Specifically, this five year demonstration will:

- Maintain Medicaid and CHIP State plan benefits without change;
- Continue the expanded eligibility and service delivery system under four existing 1915(c) home and community-based services (HCBS) waivers that:
  - o Offer HCBS services and supports through a Traumatic Brain Injury Program (TBI) to certain individuals between the ages of 21 to 64 years of age
  - o Offer HCBS services through an AIDS Community Care Alternative program (ACCAP) to certain individuals diagnosed with AIDS that support them and their primary caregivers.
  - o Offers HCBS services and supports through a Community Resources for People with Disabilities program (CRPD) to certain individuals with physical disabilities who need assistance with at least 3 activities of daily living; and,
  - o Offers HCBS services and supports through a Global Options (GO) program for certain individuals 65 years of age and older and physically disabled persons between 21 years of age and 64, who are assessed as needing nursing facility level of care.
- Continue the service delivery system under two previous 1915(b) managed care waiver programs that:
  - o Require Medicare and Medicaid eligible beneficiaries to mandatorily enroll in an MCO for Medicaid services only.
  - o Require disabled and foster care children to enroll in an MCO for care.
- Streamline eligibility requirements with a projected spend down for individuals who meet the nursing facility level of care
- Eliminate penalties for beneficiaries who transfer assets prior to seeking nursing facility services and have income at or below 100 percent of the Federal Poverty Level ( FPL);
- Cover additional home and community-based services to Medicaid and CHIP beneficiaries with serious emotional disturbance, opioid addiction, pervasive developmental disabilities, and intellectual disabilities/developmental disabilities;
- Cover outpatient treatment for opioid addiction or mental illness for an expanded population of adults with household incomes up to 150 percent FPL;
- Expand eligibility to include a population of individuals between 18 and 65 who are not otherwise eligible for Medicaid, have household incomes between 25 and 100 percent of the FPL and are in satisfactory immigration status;
- Transform the State's behavioral health system for adults by delivering behavioral health

through behavioral health administrative service organizations.

- Furnish premium assistance options to individuals with access to employer-based coverage.

For more information on the Comprehensive Waiver, visit NJ Department of Human Services' website at <http://www.state.nj.us/humanservices/news/hottopics/approved/mcwp.html>.

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