

## New Jersey

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## 1. MEDICAID MANAGED CARE OPPORTUNITY ASSESSMENT

New Jersey's Medicaid managed care program is not competitively bid. Any plan that meets the state's requirements can participate. Currently, CVS/Aetna, Elevance/Wellpoint, Horizon Blue Cross Blue Shield, UnitedHealthcare, and Centene/Fidelis Care serve the state's Medicaid managed care.

The state launched its Cover All Kids initiative in 2021, which aims to expand Medicaid managed care coverage to eligible children. The program eliminated CHIP premiums in 2022 and expanded coverage to include all children meeting income requirements, regardless of immigration status in 2023.

In March 2023, New Jersey's section 1115 demonstration program was extended by federal regulators for five years through June 2028. The demonstration continues the state's Medicaid Long-term Services and Supports (MLTSS) program. Another of the demonstration's initiatives seeks to move the state's Medicaid program toward an integrated-behavioral health delivery system that includes a comprehensive substance use disorder benefit. In addition, the demonstration expands value-based purchasing; continues DSRIP funding; covers health-related social needs like housing, nutrition, and other supports; and increases access to services and supports for individuals with intellectual and developmental disabilities.

The state's move toward more integrated behavioral health services will occur in three phases. During Phase 1, which began January 1, 2025, New Jersey will carve various services into managed care, including outpatient counseling, partial hospitalization, partial care in outpatient clinics, and outpatient hospital and clinic services for mental health, as well as outpatient counseling, intensive outpatient, outpatient clinics, and partial care for SUD.

During Phase 2, New Jersey will carve in adult mental health rehabilitation services, opioid treatment programs, and short-term residential, medically monitored inpatient withdrawal management, and long-term residential for SUD. Phase 3 services are to be determined based on additional analysis and stakeholder input. The timeline for Phases 2 and 3 will be determined after Phase 1 implementation.

### Hot Topic

In October 2024, Ophelia, a virtual opioid addiction treatment provider, began serving Medicaid patients statewide in New Jersey to provide medications for opioid use disorder. Ophelia will contract with Medicaid managed care plans, including Horizon Blue Cross Blue Shield, UnitedHealthcare, and Elevance/Wellpoint.

New Jersey Medicaid Managed Care Programs: Carved-in Services

Behavioral Health						
Program	Population	MH	SUD	LTSS	Pharmacy	Dental
NJ FamilyCare	Traditional Medicaid, Expansion and CHIP	Beginning January 1, 2025, carved-in MH services include (1) outpatient counseling, (2) partial hospitalization, (3) partial care in outpatient clinics, and (4) outpatient hospital and clinic services.  Outpatient MH services are carved in for members in MLTSS/DDD/FIDE-SNP.  New Jersey will carve in more MH services in three phases.	Beginning January 1, 2025, carved-in SUD services include (1) outpatient counseling, (2) intensive outpatient, (3) outpatient clinics, and (4) partial care.  Outpatient SUD services are carved in for members in MLTSS/DDD/FIDE-SNP.  New Jersey will carve in more SUD services in three phases.	Y	Y	Y

HMA Medicaid Program Snapshot for New Jersey

**Managed Care Indicators**

- Expansion status: Adopted
- Total Medicaid enrollment: Over 1.8 million as of October 2024
- Fully Capitated Managed Care: Yes
- Number of Managed Care Plans: 5 plans
- Managed care procurement: Not Competitive
- Total Medicaid Spending: \$22.3 billion in 2023

**State Program Authorities**

- Managed Care Delivered Statewide: Yes
- MCOs Operate Statewide
- MLTSS State: Yes
- IDD Under Managed Care: Yes
- Have Specialized MMC plans for Foster Care: No
- Bid Separate Foster Care Medicaid Contract: No
- Bid Separate MLTSS Contract: No
- Medicare Advantage Dual Eligible Special Needs Plan Type: FIDE-SNP

## 2. MEDICAID MANAGED CARE PLAN FINANCIALS

Average medical loss ratio among five New Jersey Medicaid managed care plans was 85.1% in 2023. Per member per month premiums averaged \$652.

(Note: Financial metrics and comparisons presented in this overview are based on health plan NAIC filings in the state. Measures like per member per month premiums and medical loss ratios may vary greatly by plan and by state depending on the mix of business (e.g., TANF, ABD, etc.), scope of the state's Medicaid benefit package, geographic variations in the cost of care, and other factors.)

New Jersey Medicaid Managed Care Plan Financials, 2023								
Plan	Publicly Traded	Enrollment	Member Months	PMPM	Premiums Earned (000)	Medical Costs (000)	Medical Costs After Reinsurance (000)	MLR <sup>(1)</sup>
Elevance/Wellpoint	Y	208,300	2,711,141	\$628.95	\$1,705,166	\$1,497,789	\$1,497,789	87.8%
Centene/WellCare	Y	95,792	1,265,012	\$1,111.66	\$1,406,267	\$1,125,460	\$1,125,460	80.0%
CVS Health/Aetna Better Health	Y	131,815	1,709,759	\$656.56	\$1,122,560	\$917,266	\$915,773	81.6%
Horizon BCBS of NJ	N	1,140,170	14,543,632	\$610.61	\$8,880,490	\$7,653,636	\$7,653,636	86.2%
UnitedHealth/AmeriChoice of NJ	Y	384,894	4,911,776	\$669.63	\$3,289,067	\$2,760,617	\$2,760,617	83.9%
<b>Total, NJ plans</b>		<b>1,960,971</b>	<b>25,141,320</b>	<b>\$652.45</b>	<b>\$16,403,549</b>	<b>\$13,954,767</b>	<b>\$13,953,274</b>	<b>85.1%</b>

(1) After reinsurance recoveries.

Source: S&P Global Market Intelligence, NAIC, HMA

New Jersey Medicaid Managed Care Plan Financials, 2022								
Plan	Publicly Traded	Enrollment	Member Months	PMPM	Premiums Earned (000)	Medical Costs (000)	Medical Costs After Reinsurance (000)	MLR <sup>(1)</sup>
Anthem/Amerigroup	Y	231,411	2,726,515	\$606.84	\$1,654,547	\$1,408,133	\$1,408,133	85.1%
Centene/WellCare	Y	106,615	1,330,236	\$983.63	\$1,308,461	\$1,030,135	\$1,030,135	78.7%
CVS Health/Aetna Better Health	Y	137,398	1,571,756	\$626.04	\$983,976	\$833,542	\$833,542	84.7%
Horizon BCBS of NJ	N	1,201,125	13,896,177	\$591.83	\$8,224,169	\$6,987,335	\$6,987,335	85.0%
UnitedHealth/AmeriChoice of NJ	Y	406,601	4,765,058	\$647.74	\$3,086,497	\$2,549,314	\$2,549,314	82.6%
<b>Total, NJ plans</b>		<b>2,083,150</b>	<b>24,289,742</b>	<b>\$628.15</b>	<b>\$15,257,649</b>	<b>\$12,808,458</b>	<b>\$12,808,458</b>	<b>84.0%</b>

(1) After reinsurance recoveries.

Source: S&P Global Market Intelligence, NAIC, HMA

### 3. RFP DEVELOPMENTS AND ANALYSIS

New Jersey does not undergo competitive bidding for managed Medicaid. Plans that meet the state's requirements can compete in the managed Medicaid market. Aetna Better Health, Elevance/Wellpoint, Horizon Blue Cross Blue Shield, UnitedHealthcare, and Centene/Fidelis Care are the current plans. New Jersey implemented an MLTSS program in July 2014. The MLTSS program is served by the same five MCOs providing coverage for the state's Medicaid managed care program.

New Jersey extended its Non-Emergency Medical Transport contract with Modivcare to July 2025. The original contract ran from September 2017 to August 31, 2022.

The state reprocured a five-year contract with Conduet State Healthcare in 2022 to serve as health benefits coordinator. The contract expires August 31, 2027.

New Jersey Medicaid RFP Calendar		
Contract	Key Deadlines	# of Beneficiaries
Non-Emergency Medical Transportation	Current vendor: Modivcare RFP Issued: December 18, 2015 Contract Expiration Extension: July 2025	130,000
Health Benefits Coordinator, Medicaid Managed Care Programs	Current vendor: Conduet State Healthcare Contract Expires: August 31, 2027	NA

Source: NJ Dept. of the Treasury, HMA

## 4. MANAGED CARE ENROLLMENT UPDATE

Medicaid managed care enrollment in New Jersey was down 14.7% to 1.7 million in August 2024 compared to year-end 2023, after a 6.3% decrease in 2023 and a 7%, 9.8%, and 15.8% increase in 2022, 2021, and 2020 respectively.

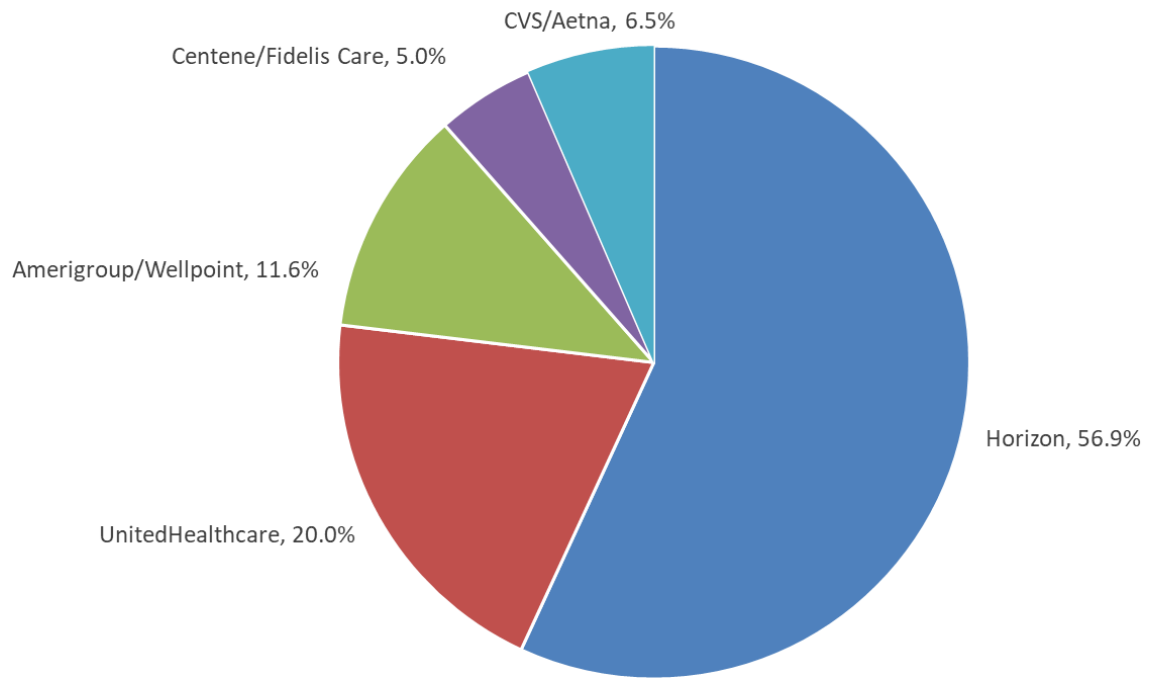
### Enrollment in New Jersey Managed Medicaid, 2012-23, August 2024

Plan Name	2020	2021	2022	2023	Aug-24
<b>Horizon BCBS/Horizon Healthcare of NJ</b>	<b>1,019,574</b>	<b>1,129,000</b>	<b>1,218,011</b>	<b>1,148,311</b>	<b>980,481</b>
<i>+/- between reporting periods</i>	<i>178,117</i>	<i>109,426</i>	<i>89,011</i>	<i>(69,700)</i>	<i>(167,830)</i>
<i>% chg. between reporting periods</i>	<i>21.2%</i>	<i>10.7%</i>	<i>7.9%</i>	<i>-5.7%</i>	<i>-14.6%</i>
<i>% of total</i>	<i>55.5%</i>	<i>56.0%</i>	<i>56.4%</i>	<i>56.8%</i>	<i>56.9%</i>
<b>UnitedHealthcare/AmeriChoice of NJ</b>	<b>374,357</b>	<b>401,147</b>	<b>420,685</b>	<b>398,784</b>	<b>345,473</b>
<i>+/- between reporting periods</i>	<i>(44,021)</i>	<i>26,790</i>	<i>19,538</i>	<i>(21,901)</i>	<i>(53,311)</i>
<i>% chg. between reporting periods</i>	<i>-10.5%</i>	<i>7.2%</i>	<i>4.9%</i>	<i>-5.2%</i>	<i>-13.4%</i>
<i>% of total</i>	<i>20.4%</i>	<i>19.9%</i>	<i>19.5%</i>	<i>19.7%</i>	<i>20.0%</i>
<b>Elevance/Wellpoint</b>	<b>237,211</b>	<b>255,447</b>	<b>266,927</b>	<b>242,271</b>	<b>199,620</b>
<i>+/- between reporting periods</i>	<i>49,329</i>	<i>18,236</i>	<i>11,480</i>	<i>(24,656)</i>	<i>(42,651)</i>
<i>% chg. between reporting periods</i>	<i>26.3%</i>	<i>7.7%</i>	<i>4.5%</i>	<i>-9.2%</i>	<i>-17.6%</i>
<i>% of total</i>	<i>12.9%</i>	<i>12.7%</i>	<i>12.4%</i>	<i>12.0%</i>	<i>11.6%</i>
<b>Centene/Fidelis Care*</b>	<b>99,857</b>	<b>107,064</b>	<b>113,746</b>	<b>102,136</b>	<b>86,868</b>
<i>+/- between reporting periods</i>	<i>26,418</i>	<i>7,207</i>	<i>6,682</i>	<i>(11,610)</i>	<i>(15,268)</i>
<i>% chg. between reporting periods</i>	<i>36.0%</i>	<i>7.2%</i>	<i>6.2%</i>	<i>-10.2%</i>	<i>-14.9%</i>
<i>% of total</i>	<i>5.4%</i>	<i>5.3%</i>	<i>5.3%</i>	<i>5.1%</i>	<i>5.0%</i>
<b>CVS/Aetna Better Health</b>	<b>106,834</b>	<b>124,882</b>	<b>139,597</b>	<b>130,429</b>	<b>112,208</b>
<i>+/- between reporting periods</i>	<i>41,191</i>	<i>18,048</i>	<i>14,715</i>	<i>(9,168)</i>	<i>(18,221)</i>
<i>% chg. between reporting periods</i>	<i>62.8%</i>	<i>16.9%</i>	<i>11.8%</i>	<i>-6.6%</i>	<i>-14.0%</i>
<i>% of total</i>	<i>5.8%</i>	<i>6.2%</i>	<i>6.5%</i>	<i>6.5%</i>	<i>6.5%</i>
<b>Total New Jersey</b>	<b>1,837,833</b>	<b>2,017,540</b>	<b>2,158,966</b>	<b>2,021,931</b>	<b>1,724,650</b>
<i>+/- between reporting periods</i>	<i>251,034</i>	<i>179,707</i>	<i>141,426</i>	<i>(137,035)</i>	<i>(297,281)</i>
<i>% chg. between reporting periods</i>	<i>15.8%</i>	<i>9.8%</i>	<i>7.0%</i>	<i>-6.3%</i>	<i>-14.7%</i>

\*Effective August 1, 2023, WellCare of New Jersey became Fidelis Care.

Source: NJ Dept. of Banking & Insurance, HMA

New Jersey Managed Medicaid Market Share by Total Enrollment,  
August 2024



Source: NJ Department of Banking and Insurance, HMA

## 5. MEDICAID FEE FOR SERVICE VS. MANAGED CARE PENETRATION

Total Medicaid enrollment in New Jersey was 2.1 million in 2023. About 96.3% of Medicaid beneficiaries were enrolled in a managed care plan. The remainder are in fee-for-service Medicaid. Total Medicaid expenditures in New Jersey were \$22.3 billion in 2023, with about 70.5% through managed care and the rest through fee-for-service.

New Jersey Expenditures and Enrollment for Total Medicaid vs. Medicaid Managed Care, 2014-23

Year	Total Medicaid Expenditures	Medicaid Managed Care Expenditures <sup>(1)</sup>	Medicaid Managed Care Expenditures as % of Total	Total Medicaid/CHIP Enrollment	Medicaid MCO Enrollment	Medicaid MCO Enrollment as % of Total
2023	\$22,309,832,720	\$15,723,712,012	70.5%	2,099,784	2,021,931	96.3%
2022	\$20,872,611,334	\$14,466,131,159	69.3%	2,202,958	2,158,966	98.0%
2021	\$18,844,958,133	\$12,671,005,089	67.2%	2,068,050	2,017,540	97.6%
2020	\$16,411,726,557	\$10,431,917,451	63.6%	1,905,205	1,837,833	96.5%
2019	\$15,908,523,928	\$9,960,954,239	62.6%	1,683,260	1,586,799	94.3%
2018	\$14,843,185,053	\$9,516,051,057	64.1%	1,702,340	1,626,991	95.6%
2017	\$14,743,851,829	\$9,301,960,736	63.1%	1,745,461	1,650,804	94.6%
2016	\$14,319,021,372	\$8,528,400,366	59.6%	1,780,848	1,652,348	92.8%
2015	\$14,049,422,255	\$7,862,246,152	56.0%	1,729,435	1,565,148	90.5%
2014	\$12,470,313,962	\$5,666,508,769	45.4%	1,667,815	1,498,204	89.8%

(1) Includes evaluation and management, vaccine codes, Community First Choice, and preventive services Grade A or B, ACIP vaccines and their administration, Prepaid Ambulatory Health Plans, and Prepaid Inpatient Health Plans.

Sources: CMS64 for expenditures. CMS for total Medicaid/CHIP enrollment. States, NAIC for Medicaid managed care enrollment.



## 6. SNPs AND DUAL ELIGIBLES

New Jersey had 97,758 SNP lives as of November 2024. D-SNP plans in New Jersey are all FIDE SNPs that are Applicable Integrated Plans.

New Jersey SNP Enrollment by Plan, November 2024

	Total SNPs	DSNPs	CSNPs	ISNPs	% Share
UnitedHealthcare	45,477	43,998		1,479	46.5%
Horizon BCBS NJ	20,839	20,839			21.3%
Elevance/Wellpoint	14,545	14,229	316		14.9%
Centene/WellCare	7,816	7,816			8.0%
CVS Health	7,851	7,851			8.0%
Longevity Health Plan	1,230			1,230	1.3%
<b>Total, 6 Plans</b>	<b>97,758</b>	<b>94,733</b>	<b>316</b>	<b>2,709</b>	<b>100%</b>

Source: CMS, HMA