

New Jersey

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1. MEDICAID MANAGED CARE OPPORTUNITY ASSESSMENT

New Jersey's Medicaid managed care program isn't competitively bid. Any plan that meets the state's requirements can participate. Currently, CVS/Aetna, Anthem/Amerigroup, Horizon Blue Cross Blue Shield, UnitedHealthcare and Centene/WellCare serve the state's Medicaid managed care.

The same five managed care plans also serve the state's managed long-term services and supports populations (MLTSS), a program implemented in 2014. As of May 2021, 57,028 Medicaid enrollees were receiving MLTSS, which represented about 92 percent of Medicaid enrollees receiving long-term care services.

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 waiver was extended by federal regulators for five years through June 2028. The waiver continues the state's MLTSS program and includes several other initiatives, including a move toward an integrated-behavioral health delivery system that includes a comprehensive substance use disorder benefit; expand value-based purchasing; continued DSRIP funding; and increasing access to services and supports for individuals with intellectual and developmental disabilities.

HMA Medicaid Managed Care Opportunity Assessment for New Jersey	
Positive Metrics	Strong Indicators
<ul style="list-style-type: none">• Medicaid managed care enrollment increased by 3.9% in 2023.• The Cover All Kids Medicaid initiative covers at least 24,000 children who are undocumented or whose legal residency was in flux as of 2023.	<ul style="list-style-type: none">• New Jersey expanded the children's Medicaid program (All Kids) to enroll undocumented children as a part of the Cover All Kids Initiative in 2023.• New Jersey doesn't have competitive bidding; any plan that meets the state's requirements can participate.
Negative Metrics	Weak Indicators
<ul style="list-style-type: none">• New Jersey is expected to disenroll between 230,000 and 350,000 Medicaid beneficiaries during the eligibility redeterminations process.	<ul style="list-style-type: none">• The state began a 12-month long process of Medicaid eligibility redeterminations in April 2023.
Source: HMA	

New Jersey Medicaid Managed Care Programs				
Program	Population	Carved In (Y/N)		
		Behavioral	LTSS	Pharmacy
NJ FamilyCare	Traditional Medicaid, Expansion and CHIP	BH is carved in for (1) all inpatient and outpatient services for members in MLTSS or registered with the Division of Developmental Disabilities and (2) all acute care hospital admissions for behavioral health. All other BH services are carved out	Y	Y

In September 2021, New Jersey proposed changes to the 1115 Waiver to further improve the integration and coordination of behavioral and physical health care by carving in most behavioral health services for *all* Medicaid beneficiaries in Medicaid managed care organizations (MCOs) Previously, the MCOs managed behavioral health services only for individuals registered with DDD, MTLSS, and those enrolled in FIDE-SNP.

In September 2019, the state announced plans to transition Medicaid long-term residential services for substance use disorder treatment from fee-for-service to managed care effective October 1 for the following populations: individuals registered with the Division of Developmental Disabilities (DDD), who meet the managed long-term services and supports (MTLSS) level of care, or who are enrolled in a FIDE-SNP. The remainder would remain in fee-for-service.

New Jersey launched a three-year Medicaid ACO demonstration project in-2015. Participating ACOs include The Camden Coalition of Healthcare Providers, Trenton Health Team, and Healthy Greater Newark ACO (an organization affiliated with the Greater Newark Healthcare Coalition). In November 2019, state lawmakers introduced a bill to replace the demonstration with a Regional Health Hub Program, which would designate existing ACOs as regional hubs. The three ACOs and Health Coalition of Passaic County became regional hubs, providing healthcare data infrastructure and analysis as well as supporting care management in close coordination with the state’s Office of Medicaid Innovation.

2. MEDICAID MANAGED CARE PLAN FINANCIALS

Average medical loss ratio among five New Jersey Medicaid managed care plans was 84% in 2022. Per member per month premiums averaged \$628.

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

(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, Anthem/Amerigroup, Horizon Blue Cross Blue Shield, UnitedHealthcare and WellCare 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 to LogistiCare to August 2023. The original contract took effect from September 2017 to August 31, 2022 with the possibility of two additional one-year extensions.

The state reprocured a five-year contract with Conduent 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: LogistiCare New RFP Issued: December 18, 2015 Proposal Deadline: March 30, 2016 Awarded: September 2017 Contract Expiration Extension: August 31, 2023	130,000
Health Benefits Coordinator, Medicaid Managed Care Programs	Current vendor: Conduent State Healthcare Re-procurement Proposal Deadline: May 20, 2021 Notice of Intent to Award: February 2022 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 increased 2.7% to more than 2 million as of August 2023. Enrollment jumped 7% in 2022 and nearly 10% in 2021.

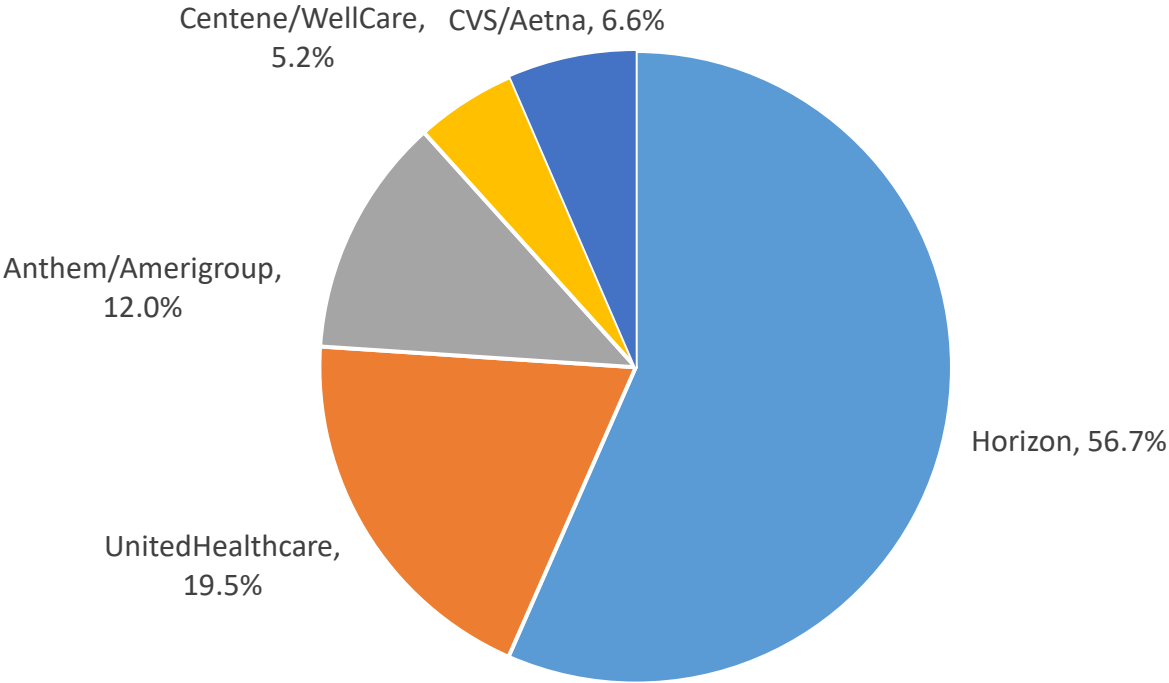
Enrollment in New Jersey Managed Medicaid, 2012-22, August 2023

Plan Name	2020	2021	2022	Aug-23
Horizon BCBS/Horizon Healthcare of NJ	1,019,574	1,129,000	1,218,011	1,258,096
<i>+/- between reporting periods</i>	<i>178,117</i>	<i>109,426</i>	<i>89,011</i>	<i>40,085</i>
<i>% chg. between reporting periods</i>	<i>21.2%</i>	<i>10.7%</i>	<i>7.9%</i>	<i>3.3%</i>
<i>% of total</i>	<i>55.5%</i>	<i>56.0%</i>	<i>56.4%</i>	<i>56.7%</i>
UnitedHealthcare/AmeriChoice of NJ	374,357	401,147	420,685	432,916
<i>+/- between reporting periods</i>	<i>(44,021)</i>	<i>26,790</i>	<i>19,538</i>	<i>12,231</i>
<i>% chg. between reporting periods</i>	<i>-10.5%</i>	<i>7.2%</i>	<i>4.9%</i>	<i>2.9%</i>
<i>% of total</i>	<i>20.4%</i>	<i>19.9%</i>	<i>19.5%</i>	<i>19.5%</i>
Anthem/Amerigroup	237,211	255,447	266,927	266,346
<i>+/- between reporting periods</i>	<i>49,329</i>	<i>18,236</i>	<i>11,480</i>	<i>(581)</i>
<i>% chg. between reporting periods</i>	<i>26.3%</i>	<i>7.7%</i>	<i>4.5%</i>	<i>-0.2%</i>
<i>% of total</i>	<i>12.9%</i>	<i>12.7%</i>	<i>12.4%</i>	<i>12.0%</i>
Centene/WellCare Health Plan of NJ*	99,857	107,064	113,746	114,572
<i>+/- between reporting periods</i>	<i>26,418</i>	<i>7,207</i>	<i>6,682</i>	<i>826</i>
<i>% chg. between reporting periods</i>	<i>36.0%</i>	<i>7.2%</i>	<i>6.2%</i>	<i>0.7%</i>
<i>% of total</i>	<i>5.4%</i>	<i>5.3%</i>	<i>5.3%</i>	<i>5.2%</i>
CVS/Aetna Better Health	106,834	124,882	139,597	146,109
<i>+/- between reporting periods</i>	<i>41,191</i>	<i>18,048</i>	<i>14,715</i>	<i>6,512</i>
<i>% chg. between reporting periods</i>	<i>62.8%</i>	<i>16.9%</i>	<i>11.8%</i>	<i>4.7%</i>
<i>% of total</i>	<i>5.8%</i>	<i>6.2%</i>	<i>6.5%</i>	<i>6.6%</i>
Total New Jersey	1,837,833	2,017,540	2,158,966	2,218,039
<i>+/- between reporting periods</i>	<i>251,034</i>	<i>179,707</i>	<i>141,426</i>	<i>59,073</i>
<i>% chg. between reporting periods</i>	<i>15.8%</i>	<i>9.8%</i>	<i>7.0%</i>	<i>2.7%</i>

*Effective July 1, 2014, WellCare acquired Healthfirst's Medicaid business in New Jersey.

Source: NJ Dept. of Banking & Insurance, HMA

New Jersey Managed Medicaid Market Share by Total Enrollment, August 2023



5. MEDICAID FEE FOR SERVICE VS. MANAGED CARE PENETRATION

Total Medicaid enrollment in New Jersey was 2.1 million in 2021. About 97.6% 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 \$18.8 billion in 2021, with about 67.2% through managed care and the rest through fee-for-service. [Note: HMAIS expansion graphs are updated biannually. For the latest monthly expansion data, click [here.](#)]

New Jersey Expenditures and Enrollment for Total Medicaid vs. Medicaid Managed Care, 2014-21

Year	Total Medicaid Expenditures	Medicaid Managed Care Expenditures ⁽¹⁾	Medicaid Managed Care Expenditures as % of Total	Total Medicaid/CHIP Enrollment	Medicaid MCO Enrollment	Medicaid MCO Enrollment as % of Total
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 86,971 SNP lives as of March 2023.

New Jersey SNP Enrollment by Plan, March 2023

	Total SNPs	DSNPs	CSNPs	ISNPs	% Share
UnitedHealthcare	38,757	38,474		283	44.6%
Horizon BCBS NJ	19,693	19,693			22.6%
Elevance/Amerigroup	16,208	15,870	338		18.6%
Centene/WellCare	7,666	7,666			8.8%
CVS Health	3,730	3,730			4.3%
Longevity Health Plan	917			917	1.1%
Total, 6 Plans	86,971	85,433	338	1,200	100%

Source: CMS, HMA