



State of New Jersey
DEPARTMENT OF HEALTH

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May 18, 2022

Dear New Jersey Hospital,

The Department of Health (DOH) is pleased to announce that on May 18, 2022, the Centers for Medicare and Medicaid Services (CMS) approved the state directed payment authority for the second year of the Quality Improvement Program – New Jersey (QIP-NJ), which runs from January 1, 2022 through December 31, 2022. Please note that DOH envisions QIP-NJ to be a multiyear program and, as a result, is actively working with CMS to secure necessary approvals for additional years.

QIP-NJ BH & Maternal Health Performance-Based Section 438.6(c) Preprints

DOH, in partnership with the Department of Human Services (DHS), submitted two Section 438.6(c) Preprints for QIP-NJ – one for maternal health and another for BH. The preprints describe the model for QIP-NJ as a pay-for-performance (P4P) program which will support hospitals' quality improvement strategies to better support the maternal health and BH systems of care and quality of services provided in New Jersey. Payments described under these preprints are driven by hospitals' achievement of performance targets on state-selected quality measures that demonstrate improvements in access to and connections to care for BH services and reductions in maternal morbidity. Hospitals will earn payment based on performance achievement on a suite of BH and maternal health measures each MY as described in the [QIP-NJ Measure Specifications & Submission Guidelines \(Databook\) v1.4](#).

As a reminder, funding within the BH incentive pool will be allocated proportionally to hospitals based on the volume of Medicaid Managed Care (MMC) individuals with BH diagnoses attributed to each hospital during the MY. Funding within the designated maternal health incentive pool will be allocated proportionally based on the volume of individuals enrolled in MMC who delivered in each hospital during the MY. The actual performance payment to each hospital will be based on the hospital's individual performance on the State-selected quality measures, calculated at the close of the MY. Performance will be measured for each hospital utilizing Medicaid Management Information System (MMIS) claims data, medical record review, and/or chart-based measures. If a hospital fails to submit the necessary data to calculate performance on non-claims-based measures, the hospital will forfeit its opportunity to earn any funding under this authority. Annual targets will be set for the hospital using a "Gap-to-Goal" methodology.

Hospitals achieving their performance targets will receive funding through the Medicaid Managed Care Organization(s) (MMCO(s)) with whom their attributed individuals are enrolled. Hospitals meeting or exceeding their individual target may be eligible to receive additional funding from the pool of undistributed funds generated by hospitals that did not meet required performance targets.

If you have any questions regarding QIP-NJ, or the Preprints submitted to CMS, please visit the [QIP-NJ Website](#) or email QIP-NJ@pcgus.com.

Thank you,

The QIP-NJ Team