

New Jersey to Invest \$634M to Enhance Medicaid Services for Older Adults and Individuals with Disabilities

Feds Approve Department Plan to use American Rescue Plan Matching Funds to Strengthen Home and Community-based Services

Oct. 20, 2021

(TRENTON) – Acting Human Services Commissioner Sarah Adelman today announced the federal government has approved Department plans to invest \$634 million over the next three years to bolster efforts to strengthen and expand home and community-based Medicaid services for older adults and individuals with disabilities.

The plan will bring in \$329 million in federal funding, for a total state and federal investment of \$634 million in these programs. The wide-ranging plan will use federal matching dollars through the American Rescue Plan to enhance, expand and strengthen home and community-based services under the state’s Medicaid program known as NJ FamilyCare.



“We are prioritizing independence, community options and person-centered care,” Acting Commissioner Adelman said. “Importantly, this plan was devised with significant public input gathered during group calls, a public listening session and emails. It was vital that we listen and take advantage of this opportunity to make New Jersey a stronger and more resilient place to live. This plan reflects that goal, and we’re thrilled by the approval.”

“New Jersey has been recognized as a leader among states in expanding community options for people who need long-term services and supports,” said Assistant Commissioner Jennifer Langer Jacobs, who directs the Medicaid program. “With this plan, we are strengthening existing home and community-based services and we are making exciting new investments that will support choice and independence for older adults and people with disabilities.”

“We’re focusing on improving the quality-of-life of NJ FamilyCare members over the long-term,” Acting Commissioner Adelman added. “In all, our intent is to enhance our existing home and community-based programs and invest in new efforts while also addressing the effects of the COVID-19 pandemic.”

In addition to the announcements today, Human Services remains in discussion with the federal Centers for Medicare and Medicaid Services on more than \$100 million in additional proposals, and remains optimistic that these will be approved in the coming months. Highlights of the approved initiatives include:

- Increasing the Personal Care Assistant rate to \$23 per hour to help the workforce that cares for older adults in need of home care services.
- Increasing the Personal Preference Program rate to \$19 per hour to help recipients who hire and manage someone to provide home care services.
- Increasing rates for support coordinators who work as case managers for Medicaid recipients with intellectual and developmental disabilities.
- Boosting rates for assisted living facilities, comprehensive care home and assisted living programs to strengthen these crucial facilities.
- Rewarding with higher daily rates assisted living facilities, comprehensive care home and assisted living programs that take on a higher percentage of Medicaid beneficiaries.
- Creating incentives to help transition individuals from nursing homes to home and community-based settings.
- Creating incentives to recruit more and retain existing homecare workers.
- Helping traumatic brain injury care providers offset costs associated with COVID-19 health and safety protocols.
- Strengthening the educational and informational resources available to community members around the various home and community-based services available under NJ FamilyCare.

NJ FamilyCare serves about 2 million residents. Visit [here](#) to learn more about the program that provides affordable health insurance to qualified New Jersey residents of any age.

The proposal builds on the most recent state budget signed by Governor Murphy that also enhances services for older adults and individuals with disabilities.

The budget increases prescription drug assistance for older adults, while also supporting efforts by communities across the state to become accessible and inclusive places to live at any age. It also maintains last year’s 10 percent Medicaid nursing facility rate increase.

The budget builds on previous wage increases for direct support professionals who assist individuals with developmental disabilities, while also maintaining an increased daily rate for residential providers such as group home and increasing rates for day habilitation, career planning, community inclusion services, group prevocational training, and group supported employment.

The budget also includes \$20 million to begin a Cover All Kids initiative in Medicaid, and to support Medicaid coverage of new moms for 365 days postpartum.

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[Disability Programs](#)

[Family Programs](#)

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[Mental Health](#)

[Addiction Services](#)

[Aging Services](#)



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