

(c) An applicant must submit a description of the grievance to the agency in writing within 20 days of the date of the adverse action notice. The agency shall notify the applicant or beneficiary of its decision, on the matter, specifying the reasons for the decision, within 60 days of the receipt of the complete documentation of the grievance.

(d) This grievance shall be heard by a panel comprised of State staff, who will make recommendations to the DMAHS Director. Within 60 days of receipt of the appeal, the DMAHS Director shall issue a final agency decision, which is subject to judicial review in the Appellate Division.

(e) As a first step in the grievance process, the Division shall initiate an informal dispute resolution process upon receipt of the grievance request and prior to the grievance board hearing the case. This process shall include reviewing the grievance, researching the issue involved, and may include contact with the individual filing the grievance. The intent of this process is to try and resolve the grievance prior to the grievance board hearing.

(f) The agency shall retain all correspondence and documentation relating to the grievance in the applicant's or beneficiary's file.

New Rule, R.1998 d.154, effective February 27, 1998 (operative March 1, 1998; to expire August 31, 1998).

See: 30 N.J.R. 1060(a).

Adopted concurrent proposal, R.1998 d.487, effective August 28, 1998.

See: 30 N.J.R. 1060(a), 30 N.J.R. 3519(a).

Readopted the provisions of R.1998 d.154 with changes, effective September 21, 1998.

Amended by R.1999 d.211, effective July 6, 1999 (operative August 1, 1999).

See: 31 N.J.R. 998(a), 31 N.J.R. 1806(a), 31 N.J.R. 2879(b).

#### 10:79-6.7 Premiums

(a) For children in families with income above 150 percent and at or below 200 percent of the Federal poverty level eligible for NJ Kid Care-Plan C, a monthly premium shall be required. There shall be a single dollar premium of \$15.00 per month per family that applies to all families, regardless of income and regardless of the number of children in the family.

(b) For children in families with gross income above 200 percent and at or below 250 percent of the Federal poverty level eligible for NJ KidCare-Plan D, a monthly premium shall be required. There shall be a single dollar premium of \$30.00 per month per family that applies to all families, regardless of income and regardless of the number of children in the family.

(c) For children in families with gross income above 250 percent and at or below 300 percent of the Federal poverty level eligible for NJ KidCare-Plan D, a monthly premium shall be required. There shall be a single dollar premium of \$60.00 per month per family that applies to all families, regardless of income and regardless of the number of children in the family.

(d) For children in families with gross income above 300 percent and at or below 350 percent of the Federal poverty level eligible for NJ KidCare-Plan D, a monthly premium shall be required. There shall be a single dollar premium of \$100.00 per month per family that applies to all families, regardless of income and regardless of the number of children in the family.

(e) Families shall be billed in advance of the coverage month. Failure to submit the full contribution shall result in termination of coverage for the month following the coverage month that the premium has not been received by the NJ KidCare program.

New Rule, R.1998 d.154, effective February 27, 1998 (operative March 1, 1998; to expire August 31, 1998).

See: 30 N.J.R. 1060(a).

Adopted concurrent proposal, R.1998 d.487, effective August 28, 1998.

See: 30 N.J.R. 1060(a), 30 N.J.R. 3519(a).

Readopted the provisions of R.1998 d.154 without change.

Amended by R.1999 d.211, effective July 6, 1999 (operative August 1, 1999).

See: 31 N.J.R. 998(a), 31 N.J.R. 1806(a), 31 N.J.R. 2879(b).

In (a), inserted "eligible for NJ KidCare-Plan C" following "level" in the first sentence; inserted new (b) through (d); and recodified former (b) as (e).

#### 10:79-6.8 Personal contribution to care (copayment)— Plan C

(a) For children in families with income above 150 percent of the Federal poverty limit, personal contribution to care shall be required.

(b) Personal contribution to care for managed care services are effective upon date of enrollment.

(c) A personal contribution to care of \$5.00 per visit/service shall be charged for practitioner visits (physician, nurse midwife, nurse practitioner, clinics, podiatrists, dentist, chiropractors, optometrist, psychologists) and outpatient hospital or clinic visits. There is a \$10.00 personal contribution to care for use of the emergency room, which does not result in an inpatient hospital stay. Personal contribution to care for prescription drugs will be \$1.00 for generics and \$5.00 for brand name drugs.

1. A personal contribution to care shall not apply to substance abuse services, including practitioner visits, outpatient or clinic visits; or well-child visits, in accordance with the schedule recommended by the American Academy of Pediatrics; lead screening and treatment; age-appropriate immunizations; preventive dental services; prenatal care; and family planning visits.

(d) No cost sharing shall be imposed on children who are American Indians/Alaska Natives. Proof of Federally recognized AI/AN tribal status shall be provided in the form of a tribal card or letter, in accordance with 42 C.F.R. 36a.16.

New Rule, R.1998 d.154, effective February 27, 1998 (operative March 1, 1998; to expire August 31, 1998).

See: 30 N.J.R. 1060(a).

Adopted concurrent proposal, R.1998 d.487, effective August 28, 1998.  
See: 30 N.J.R. 1060(a), 30 N.J.R. 3519(a).  
Readopted the provisions of R.1998 d.154 without change.  
Amended by R.2002 d.371, effective November 18, 2002.  
See: 34 N.J.R. 2244(a), 34 N.J.R. 2549(b), 34 N.J.R. 3978(c).  
Added (d).

### 10:79-6.9 Limitation on cost-sharing—Plan C

(a) There shall be a family limit on cost-sharing equal to five percent of household income for Plan C beneficiaries. Cost-sharing means the premium payments and the personal contribution to care.

(b) The cost-sharing limit shall be calculated annually starting with the date of initial enrollment of any children in the family or the annual reenrollment date. For ease of administration, the annual premium shall be calculated by the Statewide eligibility determination agency and used to reduce the family cost from the first day of enrollment.

(c) Once the limits have been met, the Statewide eligibility determination agency shall issue a certification indicating that the Plan C member has met their cost share limit, and the provider shall not collect a personal contribution to care until further notice.

(d) No cost sharing shall be imposed on children who are American Indians/Alaska Natives. Proof of Federally recognized AI/AN tribal status shall be in the form of a tribal card or letter, in accordance with 42 C.F.R. 36a.16.

New Rule, R.1998 d.154, effective February 27, 1998 (operative March 1, 1998; to expire August 31, 1998).  
See: 30 N.J.R. 1060(a).  
Adopted concurrent proposal, R.1998 d.487, effective .  
See: 30 N.J.R. 1060(a), 30 N.J.R. 3519(a).  
Readopted the provisions of R.1998 d.154 without change.  
Amended by R.2002 d.371, effective November 18, 2002.  
See: 34 N.J.R. 2244(a), 34 N.J.R. 2549(b), 34 N.J.R. 3978(c).  
Added (d).

### 10:79-6.10 Copayments—Plan D

(a) For children in families with gross income above 200 percent of the Federal poverty limit eligible for NJ KidCare—Plan D, copayments shall be required.

(b) Copayments shall be effective upon date of enrollment.

(c) Copayments shall be charged in an amount in accordance with N.J.A.C. 10:49-9.1(c).

(d) No cost sharing shall be imposed on children who are American Indians/Alaska Natives. Proof of Federally recognized AI/AN tribal status shall be provided in the form of a tribal card or letter, in accordance with 42 C.F.R. 36a.16.

New Rule, R.1999 d.211, effective July 6, 1999 (operative August 1, 1999).  
See: 31 N.J.R. 998(a), 31 N.J.R. 1806(a), 31 N.J.R. 2879(b).  
Amended by R.2002 d.371, effective November 18, 2002.  
See: 34 N.J.R. 2244(a), 34 N.J.R. 2549(b), 34 N.J.R. 3978(c).  
Added (d).

## SUBCHAPTER 7. NJ KIDCARE BENEFICIARY FRAUD AND ABUSE POLICIES

### Authority

P.L. 1997, c.272, and Title XXI of the Social Security Act; (42 U.S.C. §§ 1397aa, 1397bb, 1397cc and 13997j); Section 1902(a)(10)(A)(ii) of the Act (42 U.S.C. § 1396a(a)(10)(A)(ii)); and Section 1905 of the Act (42 U.S.C. § 1396d).

### Source and Effective Date

R.1998 d.154, effective February 27, 1998 (operative March 1, 1998; to expire August 31, 1998).  
See: 30 N.J.R. 1060(a).

### 10:79-7.1 Termination of eligibility for good cause for fraud and abuse

(a) Any violation of (b) below by an applicant, beneficiary, caretaker relative or sponsoring adult may result in the termination of the applicant's or beneficiary's eligibility from NJ KidCare—Plan B, C and D. An individual receiving a Notice of Proposed Termination issued by the Director of the Division may request, within 20 days of the date of the Notice, an administrative law hearing before the Office of Administrative Law. The Notice shall be dated at least 20 days prior to the end of the month in which the termination is effective. Failure to request a hearing within this time limit shall result in automatic termination of benefits. Until such time as a final agency decision is issued by the Director as a result of such a hearing which terminates an individual from NJ KidCare—Plan B, C and D, the individual shall remain eligible for such benefits, unless the Director determines and states in the Notice of Proposed Termination that temporary suspension of benefits prior to a hearing is necessary to protect the integrity of the NJ KidCare—Plan B, C and D program and/or the health, safety or welfare of other NJ KidCare—Plan B, C and D beneficiaries.

(b) The following grounds shall constitute good cause for termination:

1. Knowingly or intentionally making or causing to be made false statements or misrepresentations of material fact in any application or reapplication for benefits under NJ KidCare—Plan B, C or D;
2. Knowingly or intentionally making or causing to be made false statements, misrepresentation of material fact, or alterations on any NJ KidCare—Plan B, C and D program claim form, eligibility card, or other document issued by or on behalf of the Division;
3. Intentionally misusing or abusing NJ KidCare—Plan B, C or D program benefits;
4. Knowingly or intentionally converting all or part of NJ KidCare—Plan B, C or D program benefits to a use other than the individual's own legitimate use and benefit;
5. Giving, loaning, or selling an eligibility card to anyone for use by an individual or individuals other than the eligible person or persons for whom the card was issued;

6. Forgery or attempted forgery involving eligible services and/or claim forms for such services;

7. Engaging in a course of conduct or performing an act deemed improper or abusive of the NJ KidCare

program following notification that this conduct should cease; or

8. Failure to cooperate in a NJ KidCare investigation.