

# Nurse Home Visitation Medicaid Option

December 2009

1900 Grant Street, Ste. 400 Denver, CO 80203 866.864.5266 [www.nursefamilypartnership.org](http://www.nursefamilypartnership.org)

## What it Means for Children and Families in New Jersey

New Jersey stands to gain \$7.4 million over 5 years and \$19.1 million over 10 years in additional federal Medicaid funding for nurse home visitation services under the Nurse Home Visitation Medicaid Option in Section 1713 of the Affordable Health Care for America Act (H.R. 3962).

## What is the Nurse Home Visitation Medicaid Option?

Many State Medicaid programs currently cover voluntary nurse home visitation services that provide Medicaid enrollees with prenatal and postnatal health services, assistance with necessary health, educational and social support, and life course development assistance to help families become economically self-sufficient. Although Medicaid covers most home visitation services performed by nurses through several different categories of service (including Targeted Case Management, Early, Periodic, Screening, Diagnosis and Treatment (EPSDT), and Family Planning), in practice States find it administratively burdensome to seek Medicaid reimbursement through multiple categories, and all of the categories may not be included as options in a State Medicaid Plan. As a result, States that cover nurse home visitation in their Medicaid programs often elect to seek Medicaid reimbursement for only the subset of nurse services that fit into one category. The voluntary Medicaid Option corrects this problem by grouping all Medicaid-reimbursable nurse home visitation services into a new category that States may use to cover the full range of nurse home visitation services for first-time, Medicaid-eligible pregnant women and their infants through age 2.

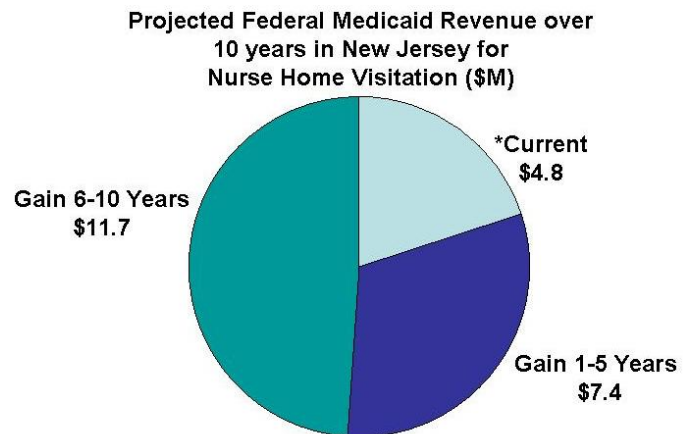
## Are Nurse Home Visitation Services Offered to Children & Families in New Jersey?

Nurse-Family Partnership is currently serving 12 counties throughout New Jersey: Camden, Cumberland, Essex, Gloucester, Hudson, Mercer, Middlesex, Monmouth, Passaic, Salem, Somerset, and Union. In New Jersey, Nurse-Family Partnership is supported in the State Department of Children and Families, the Governor's Juvenile Justice Commission, local United Way agencies, Healthy Start and local county governments. Since 2002, Nurse-Family Partnership has served over 1,300 families.

## What Additional Federal Medicaid Funding Could New Jersey Receive from Section 1713?

If New Jersey elected to provide services under the Option, the State could potentially receive the following additional funds for services currently funded through State, local and other sources:

- **Subject to availability of State and local matching funds, Section 1713 could provide New Jersey with \$7.4 million over 5 years and \$19.1 million over 10 years in additional federal Medicaid funds for nurse home visitation services.**
- The projected dollar amounts are 4 times the amount of Medicaid reimbursement that New Jersey could receive without the Medicaid Option under existing reimbursement categories for nurse home visitation services, estimated at \$4.8 million over 10 years. \*NJ is not currently billing Medicaid for nurse home visitation services but estimates are derived from multi-State averages.



- These projections are based on a conservative projected increase from 550 mothers enrolled in 2009 to 1,000 mothers enrolled in 2019.
- With more aggressive enrollment of families to reach 15% of Medicaid births statewide, or 4,180 mothers and children, the Medicaid Option would produce \$8.2 million annually in *additional* federal Medicaid funds for nurse home visitation services in New Jersey.

## Assumptions

1. Funding estimates are based on enrollment and cost projections for nurse home visiting services primarily provided by Nurse-Family Partnership. A range of other nurse home visiting programs may be eligible providers under the Medicaid Option, including the many nurse home visiting programs offered through State and local health departments.
2. State estimates are based on current State enrollment figures and growth projections based on the Congressional Budget Office's target Medicaid expenditures of \$800 million over 10 years for Section 1713.
3. A more generous estimate of additional federal Medicaid funding that is potentially available to States through this provision is also provided, based on more aggressive enrollment of 15% of Medicaid live births statewide. At that enrollment rate, 59% of Medicaid first-borns would be offered nurse home visiting services. Approximately 40% of Medicaid births are first births.
4. Projections of additional federal Medicaid reimbursement estimate that Medicaid will cover 65% of costs, which is higher than the percentage of costs currently covered by Medicaid in any State. Estimates of existing reimbursement rates are based on individual State estimates where available or a State average based on available data.
5. Enrollment estimates are based on the number of live births by state in 2006 and the percentage of births covered by Medicaid in 2003 (the most recent year available).
6. National average prices were adjusted to state estimates using the ACCRA price index – all items. (See US Statistical Abstract, Census Bureau.)

Source: Ted R. Miller, Ph.D., Pacific Institute for Research & Evaluation, Calverton, MD.