

**Congress of the United States**  
**Washington, DC 20515**

June 9, 2021

The Honorable Chiquita Brooks-LaSure  
Administrator  
Centers for Medicare and Medicaid Services  
U.S. Department of Health and Human Services  
Baltimore, MD 21244

Dear Administrator LaSure:

We write today to express our strong support for a package of seven preprint applications submitted by the State of New Jersey to implement the County Option Hospital Fee Pilot Program, a critical tool to ensure that hospitals can continue providing vital health care services to low-income residents in seven pilot counties throughout the State.

The State authority for the County Option Hospital Fee Pilot Program was enacted by the State in November 2018 and the regulatory framework for the program was finalized in March 2020. This program relies upon a Medicaid directed supplemental payment mechanism authorized under 42 CFR § 438.6(c) to target increased Medicaid funding to providers within seven pilot counties.

Counties eligible to participate in the program were determined based, in part, on the Municipal Revitalization Index rankings of the municipalities within their borders. These rankings measure municipal distress based on indicators of diverse aspects of social, economic, physical, and fiscal conditions. The Counties of Atlantic, Camden, Essex, Hudson, Mercer, Middlesex, and Passaic are eligible to participate, and each has elected to do so, demonstrating the mutual understanding by all stakeholders that this program will ensure hospitals are able to continue their important work providing services to critically vulnerable residents.

We urge the Centers for Medicare and Medicaid Services (CMS) to promptly review and consider the preprint applications for New Jersey to implement Medicaid directed payment programs in seven counties under 42 CFR § 438.6(c). It is our sincere hope that CMS will recognize the urgency of approving this program promptly particularly in light of the critical assistance it will provide to hospitals throughout the State of New Jersey as they continue to provide access to care and lifesaving services during these unprecedented times.

The program enables counties and hospitals to partner with the State to safeguard the continued health of New Jersey's Medicaid program. New Jersey recognizes that now more than ever, it is important that we address the unique health care challenges of the Medicaid population by taking this proactive and innovative step toward health equity.

Thank you very much for your timely consideration of these applications.

Sincerely,



Bill Pascrell, Jr.  
Member of Congress



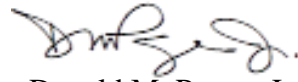
Jeff Van Drew  
Member of Congress



Albio Sires  
Member of Congress



Mikie Sherrill  
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Donald M. Payne, Jr.  
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Donald Norcross  
Member of Congress



Bonnie Watson Coleman  
Member of Congress



Tom Malinowski  
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