June 20, 2025

Re: Support and Recommendations for Proposed Integrated Care Licensure Regulations

Dear Acting Commissioner Brown,

On behalf of the New Jersey Health Care Quality Institute and Seton Hall Law, we commend the Department for issuing the proposed regulations to establish a single integrated license for outpatient care facilities. This long-awaited rulemaking represents a vital step toward breaking down the structural and regulatory silos that have long impeded access to coordinated physical and behavioral health care in New Jersey.

Integrated care, particularly models that co-locate or fully integrate physical, mental health, and substance use disorder services, has been repeatedly demonstrated to improve outcomes, reduce stigma, and enhance efficiency. By enabling providers to deliver comprehensive, whole-person care under one license, these regulations lay the foundation for a modernized system that better meets the complex needs of patients and communities.

To inform this letter, the Quality Institute convened a multi-stakeholder review and discussion of the proposed regulations. As you move toward finalizing and implementing the regulations, we respectfully submit the following recommendations for consideration:

- **Clarify perinatal and reproductive health services**
  The current regulations reference reproductive health but could benefit from more explicit clarity as to whether perinatal care—including pregnancy, postpartum, and related maternal services—is considered part of the scope. Aligning the licensure standards with the State's maternal-infant health goals would be a critical addition.

- **Include community-based workforce in care teams**
  The regulations should identify doulas and community health workers (CHWs) as optional members of integrated care teams and set minimum standards for their participation. These professionals play a key role in advancing equitable and culturally responsive care, particularly in underserved communities.

- **Relaxation of standards for alternative or mobile site of service**
  The proposal requires that providers at alternative sites or mobile facilities notify the Office "at least 30 days in advance" of the location, dates, and services to be provided. Some providers of this care serve unhoused and other vulnerable populations, and advance, specific details of this nature would be difficult to square with the nature of the outreach

required for such care. We recommend a more flexible approach to the advance notice provision, shortening the lead time to five days, and allowing for an approximate location of services.

- **Revise and simplify required forms**
  Some of the background questions in the proposed forms ask for multiple responses within one question but then provide one "yes" or "no" response. In addition, criminal law terminology is used in the questions when referring to regulatory/civil actions. We recommend a review and updating of the forms to be consistent with requirements for licensing and Medicaid program participation.

- **Coordinate/combine facilities inspection process**
  The Social Impact statement correctly describes efficiency gains for regulated entities providing integrated care by "reducing the administrative, regulatory, and compliance burdens to integrated care and eliminating differing and sometimes conflicting operational standards." One of the barriers providers now experience is the uncoordinated inspection process for differently licensed modalities of care. This proposal does not include a coordination/normalization of the inspection process, thereby apparently continuing to cause different schedules and teams for each modality of care. We recommend that the integration of inspections, including those required by the Division of Mental Health and Addiction Services, be included in this amendment.

- **Medical director clarity**
  This proposal helpfully clarifies the qualifications and availability required of medical directors. We assume that there is no bar to one person serving as medical director for more than one modality of care, so long as that person is suitably qualified for each modality. A clarification of that reading would be helpful.

- **Communicate license consolidation and transition requirements clearly**
  When issuing final regulations, the Department should clearly and publicly affirm that this integrated license replaces the three existing outpatient licenses and outline the requirements and timeline for transitional licensure. This will avoid confusion among current licensees and promote a smooth implementation process.

- **Coordinate with the Department of Human Services on implementation**
  Finally, we urge the Department of Health and the Department of Human Services to work jointly ahead of implementation to identify administrative, operational, and payment-related

systems within the Division of Medical Assistance and Health Services (DMAHS) and the Division of Mental Health and Addiction Services (DMHAS) that will be affected. Clear, coordinated guidance will be essential to supporting providers and ensuring continuity of care. Medicaid payment clarity, in particular, is essential to permit integrated outpatient care to reach the most vulnerable New Jersey residents.

We look forward to continued collaboration with the Department and are available to support the Department's efforts as these critical reforms move forward. Thank you again for your leadership and for advancing a more integrated, person-centered health system in New Jersey.

Sincerely,

Linda Schwimmer
President and CEO
New Jersey Health Care Quality Institute

John V. Jacobi
Dorothea Dix Professor of Health Law & Policy
Seton Hall Law School

Supporting Individuals and Organizations:

- Community Health Acceleration Partnership (CHAP)
- Hackensack Meridian *Health*
- Human Biology®
- New Jersey Association of Mental Health and Addiction Agencies
- Tara Adams Ragone, Assistant Professor, Center for Health & Pharmaceutical Law Seton Hall University School of Law