

#### Voices of the Quality Institute: Health Care Priorities for 2025 and Beyond

The New Jersey Health Care Quality Institute ("Quality Institute") is a nonprofit, nonpartisan, membership organization. For over 25 years, the Quality Institute has worked to improve the safety, quality, and affordability of health care for everyone in New Jersey.

Quality Institute members come from every sector of health care and include hospitals and health systems, consumer organizations, health insurers, pharmaceutical companies, medical schools, physician organizations, technology companies and many others. Prior to our annual meeting, we asked leaders from our diverse membership, "In your view, what is the most urgent health care issue facing New Jersey today?" Members' responses coalesced around six issues. At the annual meeting, members delved into potential solutions. The issues and solutions are set forth below and provide valuable insight and perspective to New Jersey leaders.

One of the Quality Institute's strengths is the breadth and depth of our members' experience and ability to deliver improvements on these and other health policy issues. We look forward to advising and supporting the next administration in addressing these issues and advancing consensus-driven solutions.

# The issues and solutions presented in this document are as follows:

- Build a Stronger Primary Care System
- Sustain New Jersey's Medicaid Program
- Address Health Care Workforce Shortages
- Modernize State Technology and Infrastructure Systems
- Address New Jersey's Mental Health Needs through Treatment and Prevention
- Identify and Address Health Disparities



#### 1. Build a Stronger Primary Care System

To best care for residents' overall health and wellness, New Jersey needs to support and strengthen its primary care system to ensure that people have ongoing, trusted sources of preventive and primary care. As people age or have more complex needs, primary care supports the overall care management and coordination of care throughout all stages of life.

# Implement the Quality Institute's Report: Findings and Recommendations to Support Advanced Primary Care

The Quality Institute, with primary care clinicians, mental health providers, consumer advocates, and insurers, developed "Findings and Recommendations to Support Advanced Primary Care," which outlines recommendations for supporting the primary care workforce, measuring the quality and efficiency of care, designing payments for comprehensive payment care models, and improving technology to further these care models. The suggestions are ready to be implemented across all state agencies and programs with roles in licensing, funding education, purchasing or contracting for health care services, and regulating health care and insurance.

## Strengthening the Primary Care Workforce

While New Jersey educates physicians who pursue primary care, many of those students leave the state. The state needs a funded strategy to retain those clinicians, including tuition incentives and changes to medical school recruitment and incentives.

#### • Enact Payment Reform

New Jersey underinvests in primary care. The state must address underpayment by increasing the current fee-for-service and managed care rates in Medicaid, which are about 50 percent of Medicare rates and rank among the lowest in the country, and pay practices in a hybrid manner, including upfront investments that support team-based care, integrated care, and technology. Additionally, the state must pay practices for performance. More specifics on payment are in "Findings and Recommendations to Support Advanced Primary Care".



#### 2. Sustain New Jersey's Medicaid Program

The new federal law, over time, drastically reduces federal Medicaid funding and makes other changes to the program, which will lead to an estimated 12 to 20 percent of enrolled individuals losing coverage. The state must document and highlight the law's harm to advocate for policy change. It must also take immediate action to improve its elligibility and enrollment system technology and community outreach efforts to keep people covered and able to access care. For those who are no longer elligible, care delivery systems and state funding must be set up.

#### • Establish a Public Tracking System on the Federal Changes

Establish a public tracking and reporting system to show the effect of the federal changes, including who is most affected, in which counties, and for which services. Utilize the data to inform state funding decisions and advocacy. Maryland passed <u>a law</u> establishing the Maryland Health Insurance Coverage Protection Commission to monitor and assess the impact of federal changes to specified health care programs and to provide recommendations for Maryland to protect the access to affordable health coverage and requiring the Commission to submit a report of its findings and recommendations annually. New Jersey should take similar action.

#### Upgrade Eligibility and Enrollment Systems

Upgrade eligibility and enrollment systems to improve Medicaid's enrollment and retention rates. This will require updated technology, a change in the enrollment process, and contracting with trusted community-based organizations and health care providers. (More details are in the State Infrastructure section below).

#### Expand Primary Care Access

Many people will no longer be able to enroll in NJ Medicaid or similar state-funded insurance programs. It is essential that the state ensures the availability of health care centers for preventive, primary care, reproductive care, dental care, and mental health. Additionally, this model should include navigation to other specialty care, tests, and health-related social needs. A regionalized care system can work in partnership with hospital systems throughout the state and is a better alternative than people going to emergency departments. Federally Qualified Health Centers, hospital clinics, Planned Parenthood, and philanthropic "free" clinics are all key parts of this system. Planning should commence quickly.

## Revise Charity Care and State Funding

Expected federal cuts will range from \$2 to \$5 billion annually and will reduce Medicaid and other health care coverage enrollment by 12-20 percent. These changes cannot be underestimated and will require the state to rethink how health care is funded in New Jersey and how charity care and state funding should be allocated to meet these changes.



#### 3. Address Health Care Workforce Shortages

Strengthening New Jersey's health care workforce requires a coordinated, multifaceted approach that addresses systemic barriers while cultivating a robust pipeline of future professionals. From modernizing state licensing systems and expanding nursing education capacity to facilitating early exposure to health care careers and supporting the direct care workforce, solutions must span education, policy, infrastructure, and reimbursement reform.

#### • Improve Licensure Delays

The state must commit resources to the Division of Consumer Affairs (DCA) to implement needed technological upgrades and ensure sufficient staffing to address the volume of applications it receives so people can more quickly join the workforce. We must expand the DCA workforce or find other ways to speed up licensing.

#### Facilitate Earlier Awareness of Health Care Professions

New Jersey should strengthen pathways from middle school and high school to health care careers in the full range of roles from paraprofessionals to clinicians.

# Expand Use of Medically Underserved Area and Health Professional Shortage Area Designations

New Jersey has some areas designated as Medically Underserved Areas (MUAs) and Health Professional Shortage Areas (HPSAs) by the U.S. Health Resources and Services Administration (HRSA). These designations indicate regions where residents face significant barriers to accessing primary care, dental, or mental health services due to factors like provider shortages, economic challenges, or geographic isolation. Expanding the use of MUAs and HPSAs in New Jersey would help identify and prioritize communities with the greatest need. This expansion would also enable more areas to qualify for provider incentive programs—such as the Primary Care Loan Redemption Program—thereby encouraging clinicians to practice in underserved regions by offering financial support for their service.

#### • Encourage Careers in Aging and Home-Based Care

We must develop models to support the care of our aging residents at home to address demand and to reduce hospitalizations and promote community-based care. The <u>Essential Jobs Essential Care coalition</u>, co-led by the Quality Institute, advocates for policy changes to support and grow the direct care workforce, including certified nursing assistants, home health aides, and direct support professionals. EJEC is presenting many solutions to grow this workforce.



# • Expand Nursing Program Availability

Instructor shortages, especially in nursing, limit educational expansion. Nursing programs are turning away qualified applicants due to an insufficient number of faculty, clinical sites, classroom space, and clinical preceptors, as well as budget constraints. Nurses may not be pursuing careers as faculty members due to insufficient salaries. The state should increase nurse faculty salaries, improve the Nursing Faculty Loan Redemption program and explore other investments to obtain needed nurse faculty. Read more in the Quality Institute's "Guidance Document to Recruit, Train, and Retain a Resilient and Diverse Health Care Workforce for New Jersey."

### • Address Workforce Burnout and Payment Concerns

Low Medicaid reimbursement rates and overall burnout are driving health care professionals out of direct patient care. Medicaid rates, especially in Primary Care, must be increased to expand access to care. More must be done to reduce the administrative burden felt by clinicians to encourage more people to pursue and remain in health care professions. Current payment models and delivery systems must be reconsidered, with innovations needed that make independent practice achievable and fulfilling.



#### 4. Modernize State Technology and Infrastructure Systems

Modernizing New Jersey's health care technology and infrastructure is critical to improving patient outcomes, expanding access, and enhancing system efficiency. Strategic reforms must prioritize transparency, usability, and coordination across platforms such as the New Jersey Health Information Network (NJHIN), Medicaid's eligibility and enrollment system, Regional Health Hub Health Information Exchanges (RHH-HIEs), other health information exchanges, New Jersey Immunization Information System (NJIIS), and provider credentialing and network directories.

#### • Publicly Review the Health Information Network

The state's investment in the NJ Health Information Network and its work product must be transparent, better understood, and improved to show value, greater adoption and use by health care systems, nursing homes, health care facilities and practices, public health departments and clinics, and consumers to manage and improve care. Solutions include a review of existing structures, contracts, governance, and better public engagement. Active engagement and collaboration on a NJHIN roadmap is required from key stakeholders, including active users, RHH-HIEs, and other interested parties. To promote accountability and continuous improvement, NJII should publish an annual report detailing key metrics, system performance, and progress toward statewide health data goals. (This is currently housed in NJ DOH, funded through DHS/Medicaid, and run by NJIT/NJII).

# Leveraging the Reach of Regional Health Hubs

Capitalize on the state's investment in New Jersey's Regional Health Hubs (RHHs) and their robust data, analytics, and care coordination infrastructure. These community-rooted organizations are uniquely positioned to integrate and act on real-time data from health care, social services, and other public systems. By statute, the RHHs report to DHS/Medicaid but work collaboratively across all state agencies. Strengthening the state's partnership with RHHs will accelerate targeted interventions for high-need populations, foster local innovation, and ensure that policies are grounded in on-the-ground realities. Continued investment in RHHs' data infrastructure, care management capacity, and cross-sector partnerships will enhance New Jersey's ability to coordinate care, reduce disparities, and make timely, data-informed decisions.

#### Overhaul Medicaid's Eligibility & Enrollment System

The state's eligibility and enrollment system are both statewide and county based with variable performance. A <u>2019 state law</u> gave Medicaid the flexibility to move to a statewide system with payments tied to performance and mandated greater transparency on county performance. This law was partially implemented, but more is needed and the systems today are not ready for the new federal requirements for more frequent re-determinations of eligibility. Immediate action including an RFP to move to a better system is essential to mitigate the loss of federal funds and to maintain enrollment and services for as many eligible people as possible. The new system



should be accessible via mobile applications and at sites of care for presumptive eligibility and enrollment. NJ Medicaid should continue to leverage the role of Regional Health Hubs, and other trusted organizations, in supporting community education and engagement in the Medicaid eligibility and enrollment process. (This is currently under the purview of DHS/ Medicaid and should also be reviewed in connection with NJ's ACA marketplace Get Covered New Jersey, which is run by DOBI and an outside contractor).

#### • Improve Credentialing Systems and Network Directories

Credentialing systems and network directories must be unified, stream-lined, and improved for accuracy to reduce barriers for providers and carriers, increase access to care, improve the accuracy of the directories, enable better enforcement of network adequacy requirements, and reduce administrative costs overall. Despite agreement across carriers and health care providers, the state has yet to implement a unified credentialing platform for Medicaid which would simplify the credentialing process and improve the quality of the information in the network directories. Existing state and federal laws require this action, yet it has not been implemented. An RFP should be issued immediately. (This is currently under the purview of both DHS/Medicaid and DOBI).



## 5. Address New Jersey's Mental Health Needs Through Treatment and Prevention

New Jersey, mirroring national trends, is experiencing a significant rise in mental health needs that demand urgent recognition and action. Effectively responding to this crisis requires a dual approach—one that empowers communities and strengthens the health care system. By fostering collaboration among local organizations, schools, families, and health care providers, New Jersey can create a more responsive and accessible mental health infrastructure that meets people where they are and delivers the support they need.

#### Increasing Community Engagement

New Jersey needs to engage and educate communities about mental health to reduce cultural stigma, encourage people to seek support, and identify needs sooner. This can be done through offering "Mental Health First Aid" training and similar programs on a widespread basis. The effort should be integrated into existing community groups and programs in a culturally competent way. Communities should consider implementing policies and engagement campaigns that encourage parents to limit social media use for children and teens. Communities should pursue programs to reduce social isolation, particularly for older adults who may live alone. Incorporating mental health into community policing and safety is also encouraged. Many of these steps can be taken by the private and non-profit sectors with support from grants or local businesses. Read more about increasing community engagement in the Mayors Wellness Campaign Mental Health Toolkit.

## Expanding Integrated Care

New Jersey needs to promote and expand integrated care, where both physical care and mental health are co-located. Integrated care addresses patients' full needs and destigmatizes mental health issues. National models that should be implemented in New Jersey include IMPACT Care from <a href="Washington State">Washington State</a> and <a href="Cherokee Health System">Cherokee Health System in Tennessee</a>. Changes to payment systems to allow for billing for both physical and mental health services at the same visit better facilitate these models (allowing "G codes"). Inter-professional training and supporting training for primary care practitioners will also advance these models.

# • Early Screenings and Interventions

Supporting and expanding payment for early screening to identify needs and interventions to address issues as early as possible improves overall health. Various models exist, particularly for children. For example, primary care pediatric programs like <a href="HealthySteps">HealthySteps</a> have demonstrated improved developmental outcomes and both short and long-term cost savings by addressing behavioral and social-emotional concerns early within routine well child care.



#### 6. Identify and Address Health Disparities

New Jersey is one of the most diverse states in the nation, with a population that reflects a wide range of racial, ethnic, linguistic, and socioeconomic backgrounds. Over the past decade, the health care sector has increasingly acknowledged the profound impact that historical and systemic inequities have had on health outcomes. In response, there has been a growing commitment to collecting and analyzing demographic data, including race, ethnicity, language, and income, to identify disparities in care and outcomes and eliminate them.

These efforts are essential. Without a deliberate focus, initiatives aimed at improving health care quality may inadvertently widen existing gaps and overlook the needs of historically underserved communities. By centering data-driven equity work, New Jersey can more effectively design targeted interventions, better allocate resources, and ultimately build a health care system that delivers quality care to everyone.

## Employment Benefits Policy Considerations

Family benefits, such as maternity leave and workplace protections, should be part of a broader strategy to support families and reduce disparities in Maternal Infant Health. Raising awareness and improving utilization of existing benefits can help ensure that families receive the support they are entitled to during critical periods. Many new programs exist in New Jersey and should be promoted and sustained.

# Adopt More Patient-Centric Communications and Engagements

Health systems should adopt innovative operations, communication and patient care tools (e.g., flexible hours, transportation, tele-health, in-home care and monitoring) to increase access. Health systems need to ensure cultural competency, and the availability of language supports that reflect New Jersey's diverse population. Health care professionals should be trained in active listening and shared decision-making to encourage patient autonomy.

# Advancing Equity, Access, and the Human Right to Health Care

It is essential to affirm the right of every individual to quality, affordable care in their own community. Addressing persistent fragmentation in care delivery, overwhelmed providers, and limited coordination—especially around health-related social needs—is critical to advancing this goal. The rollback of Diversity, Equity, Inclusion, and Belonging initiatives threatens the recruitment and retention of a diverse health care workforce equipped to serve underserved communities, while racial disparities, including maternal and infant mortality, continue without rapid enough improvement. Solutions should include restoring and maintaining state support for primary and preventive reproductive health care, particularly for services that are being defunded, such as those provided by Planned Parenthood and other safety-net providers.



#### Conclusion

The priorities outlined in this document reflect the real-world experience, deep expertise, and shared concerns of health care leaders across New Jersey. From hospitals and health systems to consumer advocates, insurers, and community-based providers, our members bring a broad and diverse perspective on what's needed to build a healthier, more equitable state.

Their insights point to six clear areas requiring urgent attention: strengthening primary care, sustaining Medicaid, addressing workforce shortages, modernizing state systems, expanding mental health care, and eliminating health disparities. Across sectors, members emphasized that addressing these challenges is essential not only for improving individual care, but for ensuring the long-term sustainability of our health care system and state.

These priorities are not theoretical; they are grounded in the day-to-day realities our members face in serving patients and communities. They offer state leaders a roadmap shaped by those closest to the work, and a chance to act on solutions with broad, multistakeholder support.

As New Jersey moves forward under new leadership, we hope this document serves as a catalyst for meaningful dialogue and decisive action that honors the collective wisdom of those on the front lines of health care in our state.

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