New Jersey Strategies to
Improve Oversight, Accountability, & Transparency

Health Care Spending Oversight

Health care spending oversight entities monitor and track health care spending systematically, offering data and research support to ensure efficient resource use. While many states set population health priorities, some have established oversight entities with enforcement powers. Strategies tracked include:

Health Care Spending Benchmarks

Authority to Enforce Health Care Spending Benchmarks

Hospital or Primary Care Spending Oversight Entities

Prescription Drug Affordability Boards

Some states have established independent entities charged with reviewing high-cost prescription drugs and recommending strategies to improve affordability. In certain cases, these boards are authorized to set upper payment limits to curb excessive drug prices. Strategies examined in this section include:

Prescription Drug Affordability Board Established

Prescription Drug Upper Payment Limits Established

All-Payer Claims Databases

All-payer claims databases (APCDs) compile diverse health care data that may include health, dental, and pharmacy claims from private insurers, state employee health programs, Medicare, and Medicaid. In instances where a database includes only some of these payers, it is referred to as a multi-payer claims database. Typically created through legislation, APCDs are often subject to state oversight and regulation. However, some claims databases have been voluntarily developed by independent entities, limiting oversight. Strategies examined in this section include:

All-Payer Claims Database Established

All-Payer Claims Database Operated by the State

Price Transparency

This section evaluates state efforts to provide access to health care price data through a publicly available and easily accessible tool. Strategies examined in this section include:

Price Transparency Tool Established

Prescription Drug Price Transparency Tool Established

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All-Payer Claims Database

Policy	Status as of June 2025	Summary
Established an All-Payer Claims Database (APCD)	⊗ State does not have a(n) all-payer or multi-payer claims database	
All-Payer Claims Database (APCD) Operated by the State	⊗ The state does not have an APCD operated by the state or another entity	

Prescription Drug Affordability Board

Policy	Status as of June 2025	Summary
Established Prescription Drug Affordability Board (PDAB)	⊗ The state has not established or passed legislation to establish a prescription drug affordability board	
Prescription Drug Upper Payment Limits	● Organizations are required to report prescription drug price information to a state entity	Drug manufacturers must annually report wholesale acquisition costs (WAC) and specific increases in WAC of drugs, introduction of new drugs exceeding the Medicare Part D specialty threshold, or a biosimilar that is not more than 15 less than the referenced biologic to the Division of Consumer Affairs.

● State Has Active Policy or Program ◉ Policy or Program Partially Implemented ⊗ State Does Not Have an Active Policy or Program ✱ No Source, or Limited Information Found

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Price Transparency

Policy	Status as of June 2025	Summary
Service Cost Price Transparency Tool	⊗ State does not have a public-facing price transparency tool	
Prescription Drug Price Reporting Requirement	● Organizations are required to report prescription drug price information to a state entity	Drug manufacturers must annually report wholesale acquisition costs (WAC) and specific increases in WAC of drugs, introduction of new drugs exceeding the Medicare Part D specialty threshold, or a biosimilar that is not more than 15 less than the referenced biologic to the Division of Consumer Affairs.

Health Care Spending Oversight

Policy	Status as of June 2025	Summary
Health Care Spending Benchmark	● State has established a health care spending benchmark for providers, insurance carriers, or both	New Jersey's health care cost growth benchmark is set at 3.2% for 2024, 3% for 2025, and 2.8% for 2026-2027. Total medical expenses are calculated at the state level, by insurance market, by individual insurer, and for large provider entities.
Authority to Enforce Health Care Spending Benchmark	⊗ State does not have an enforcement mechanism for their health care spending benchmark(s)	The benchmark does not have an enforcement mechanism at this time.
Hospital or Primary Care Spending Oversight Entity	● State monitors and reports hospital spending, primary care spending, or both	The New Jersey Department of Health's Division of Health Facilities monitors hospital finances. Additionally, on 1/17/2025, New Jersey's Office Health Care Affordability and Transparency which monitors hospital spending and primary care spending was formally established within the Department of Health.

● State Has Active Policy or Program ◉ Policy or Program Partially Implemented ⊗ State Does Not Have an Active Policy or Program ✱ No Source, or Limited Information Found

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With support from Arnold Ventures, the Healthcare Value Hub provides free, timely information about the policies and practices that address high health care costs and poor quality, bringing better value to consumers. The Hub is part of Altarum, a nonprofit organization with the mission of creating a better, more sustainable future for all by applying research-based and field-tested solutions that transform our systems of health and health care.