

ASSEMBLY, No. 4242

STATE OF NEW JERSEY 216th LEGISLATURE

INTRODUCED FEBRUARY 24, 2015

Sponsored by:

Assemblyman TROY SINGLETON

District 7 (Burlington)

Assemblywoman VALERIE VAINIERI HUTTLE

District 37 (Bergen)

Assemblyman CHARLES MAINOR

District 31 (Hudson)

SYNOPSIS

Establishes minimum Medicaid reimbursement rate for personal care services.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 3/10/2015)

1 AN ACT concerning Medicaid reimbursement for personal care
2 services and supplementing Title 30 of the Revised Statutes.

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4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

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7 1. The hourly reimbursement rate for personal care services
8 within the Medicaid program established pursuant to P.L.1968,
9 c.413 (C.30:4D-1 et seq.), whether the services are provided in the
10 Medicaid fee-for-service delivery system or through a managed care
11 delivery system, shall be no less than \$15.50 per hour, except that
12 this amount shall be adjusted on July 1 of every fifth calendar year
13 following the effective date of this act in direct proportion to the
14 rise or fall in the Consumer Price Indices average for all urban wage
15 earners for the New York metropolitan and the Philadelphia
16 metropolitan regions as reported by the Bureau of Labor Statistics
17 of the United States Department of Labor during the last full
18 calendar year preceding the date upon which the adjustment is
19 made.

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21 2. This act shall take effect immediately, and shall apply to
22 services provided on or after the effective date of this act and to any
23 Medicaid managed care contract executed or renewed on or after
24 the effective date of this act.

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STATEMENT

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29 This bill would set a minimum reimbursement rate of \$15.50 per
30 hour for Medicaid personal care services. The minimum rate would
31 apply whether the services are provided in the Medicaid fee-for-
32 service delivery system or through a managed care delivery system.
33 The bill would also require that the minimum hourly rate be
34 increased every five years based in direct proportion to the rise or
35 fall in the Consumer Price Indices average for all urban wage
36 earners for the New York metropolitan and the Philadelphia
37 metropolitan regions as reported by the Bureau of Labor Statistics
38 of the United States Department of Labor during the last full
39 calendar year preceding the date upon which the adjustment is
40 made.

41 The reimbursement rate for personal care services in the
42 Medicaid fee-for-service program has been \$15.50 for several years.
43 However, the shift of most Medicaid personal care services to a
44 managed care delivery system has allowed private managed care
45 organizations to unilaterally reduce reimbursement rates to already
46 struggling provider agencies and health care workers.