

CHAPTER 29

AN ACT concerning licensure of health care service firms and amending and supplementing P.L.2002, c.126.

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

1. Section 1 of P.L.2002, c.126 (C.34:8-45.1) is amended to read as follows:

C.34:8-45.1 Consideration as Health Care Service Firm; terms defined.

1. a. Notwithstanding any other law or regulation to the contrary, an employment agency required to be licensed pursuant to P.L.1989, c.331 (C.34:8-43 et al.), or any other firm, company, business, agency, or other entity that is not a home health care agency licensed pursuant to P.L.1971, c.136 (C.26:2H-1 et seq.) or a hospice licensed pursuant to P.L.1997, c.78 (C.26:2H-79 et seq.), which places or arranges for the placement of personnel to provide companion services, health care, or personal care services in the personal residence of a person with a disability or a senior citizen age 60 or older, regardless of the title by which the provider of the services is known, shall be registered as a Health Care Service Firm pursuant to N.J.A.C.13:45B-13.1 et seq. and shall be subject to the rules and regulations governing Health Care Service Firms adopted by the Division of Consumer Affairs in the Department of Law and Public Safety.

As used in this section:

“Companion services” means non-medical, basic supervision and socialization services which do not include assistance with activities of daily living, and which are provided in the individual’s home. Companion services may include the performance of household chores.

“Health care services” means any services rendered for the purpose of maintaining or restoring an individual’s physical or mental health or any health-related services, and for which a license or certification is required as a pre-condition to the rendering of such services.

“Personal care services” means services performed by licensed or certified personnel for the purpose of assisting an individual with activities of daily living that may involve physical contact. Services include, but are not limited to, bathing, toileting, transferring, dressing, grooming, and assistance with ambulation, exercise, or other aspects of personal hygiene.

b. (Deleted by amendment, P.L.2014, c.29)

c. As a condition of being registered under P.L.1989, c.331 (C.34:8-43 et al.), a health care service firm shall obtain within 12 months of registration accreditation from an accrediting body that is recognized by the Commissioner of Human Services as an accrediting body for homemaker agencies participating in the Medicaid program, as set forth at N.J.A.C.10:60-1.2. For purposes of accreditation pursuant to this subsection, the accrediting body shall apply the standards set forth in N.J.A.C.13:37-14.1 et seq. and N.J.A.C.13:45B-13.1 et seq., as applicable.

d. As a condition of registration under P.L.1989, c.331 (C.34:8-43 et al.), every health care service firm shall submit to the director an audit the third calendar year after registration and every third year thereafter. The audit shall be conducted by a certified public accountant licensed by the State of New Jersey and shall encompass an examination of the subject firm’s financial records, financial statements, the general management of its operations, and its internal control systems. The audit shall include an audit report with an unqualified opinion and shall be accompanied by any management letters prepared by the auditor in connection with the audit commenting on the internal controls or management practices of the health care service firm. The audit shall be divided into two components: compliance and financial.

The compliance component of the audit shall evaluate the firm's compliance with relevant laws and regulations governing health care service firms. The financial component shall include an audit of the financial statements and accompanying notes, as specified in the Statements on Auditing Standards issued by the American Institute of Certified Public Accountants.

C.34:8-45.1a Memorandum of understanding.

2. The Director of the Division of Consumer Affairs in the Department of Law and Public Safety shall enter into a memorandum of understanding with an accrediting body chosen by the director through appropriate procurement processes authorized to accredit a health care service firm pursuant to subsection c. of section 1 of P.L.2002, c.126 (C.34:8-45.1). The memorandum of understanding shall establish the standards for accreditation and for reporting the results of audits performed pursuant to subsection d. of section 1 of P.L.2002, c.126 to the Division.

C.34:8-45.1b Report to Governor, Legislature.

3. No more than three years after the enactment of P.L.2014, c.29, the Director of the Division of Consumer Affairs shall submit a written report to the Governor and to the Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), providing a comprehensive review and analysis on the effectiveness of the licensure, accreditation, and audit provisions of P.L.2014, c.29 and recommendations for any additional resources necessary to make such provisions more effective.

C.34:8-45.1c Rules, regulations.

4. The Director of the Division of Consumer Affairs in the Department of Law and Public Safety, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), shall adopt rules and regulations necessary to effectuate the purposes of this act.

5. This act shall take effect on the first day of the eighteenth month next following the date of enactment, but the Director of the Division of Consumer Affairs may take such anticipatory administrative action in advance thereof as shall be necessary for the implementation of this act.

Approved August 1, 2014.