

SENATE, No. 1607

STATE OF NEW JERSEY
217th LEGISLATURE

INTRODUCED FEBRUARY 16, 2016

Sponsored by:

Senator JEFF VAN DREW

District 1 (Atlantic, Cape May and Cumberland)

SYNOPSIS

Excludes certain health care service firms from certain requirements.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning health care service firms and amending
2 P.L.2002, c.126.

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

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

25 As used in this section:

26 "Companion services" means non-medical, basic supervision and
27 socialization services which do not include assistance with activities
28 of daily living, and which are provided in the individual's home.
29 Companion services may include the performance of household
30 chores.

31 "Health care services" means any services rendered for the
32 purpose of maintaining or restoring an individual's physical or
33 mental health or any health-related services, and for which a license
34 or certification is required as a pre-condition to the rendering of
35 such services.

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

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

43 c. (1) As a condition of being registered under P.L.1989, c.331
44 (C.34:8-43 et al.), a health care service firm shall obtain within 12
45 months of registration accreditation from an accrediting body that is

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 recognized by the Commissioner of Human Services as an
2 accrediting body for homemaker agencies participating in the
3 Medicaid program, as set forth at N.J.A.C.10:60-1.2. For purposes
4 of accreditation pursuant to this subsection, the accrediting body
5 shall apply the standards set forth in N.J.A.C.13:37-14.1 et seq. and
6 N.J.A.C.13:45B-13.1 et seq., as applicable.

7 (2) Notwithstanding paragraph (1) of subsection c. of this
8 section, a health care service firm that is not receiving State funding
9 either through the Medicaid program or through any other State
10 subsidized program shall not be required to receive accreditation
11 from an accrediting body that is recognized by the Commissioner of
12 Human Services as an accrediting body for homemaker agencies
13 participating in the Medicaid program as set forth at N.J.A.C.10:60-
14 1.2. As a condition of being registered under P.L.1989, c.331
15 (C.34:8-43 et al.), these health care service firms shall be required
16 to pay an annual registration fee of no more than \$1,500 and shall
17 be subject to inspection requirements as established by the Division
18 of Consumer Affairs in the Department of Law and Public Safety.

19 d. As a condition of registration under P.L.1989, c.331 (C.34:8-
20 43 et al.), every health care service firm that is required to be
21 accredited pursuant to subsection c. of this section shall submit to
22 the director an audit the third calendar year after registration and
23 every third year thereafter. The audit shall be conducted by a
24 certified public accountant licensed by the State of New Jersey and
25 shall encompass an examination of the subject firm's financial
26 records, financial statements, the general management of its
27 operations, and its internal control systems. The audit shall include
28 an audit report with an unqualified opinion and shall be
29 accompanied by any management letters prepared by the auditor in
30 connection with the audit commenting on the internal controls or
31 management practices of the health care service firm. The audit
32 shall be divided into two components: compliance and financial.
33 The compliance component of the audit shall evaluate the firm's
34 compliance with relevant laws and regulations governing health
35 care service firms. The financial component shall include an audit
36 of the financial statements and accompanying notes, as specified in
37 the Statements on Auditing Standards issued by the American
38 Institute of Certified Public Accountants.
39 (cf: P.L.2014, c.29, s.1)

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

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47 3. This act shall take effect immediately.

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STATEMENT

This bill would provide that health care service firms that are not receiving State funding either through the Medicaid program or through any other State subsidized program are not required to receive accreditation by an accrediting body that is recognized by the Commissioner of Human Services as an accrediting body for homemaker agencies participating in the Medicaid program. Rather, these health care service firms would be required to pay an annual fee, of no more than \$1,500, and be subject to inspection requirements, as established by the Division of Consumer Affairs in the Department of Law and Public Safety. Additionally, this bill excludes health care service firms which are not accredited from the State requirement that the firm must submit an audit to the Director of the Division of Consumer Affairs every three years.