

ASSEMBLY, No. 911

STATE OF NEW JERSEY

217th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2016 SESSION

Sponsored by:

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SYNOPSIS

Establishes Medicaid demonstration project to cover room and board services for certain terminally ill patients in the home or other non-institutional setting.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



(Sponsorship Updated As Of: 9/9/2016)

1 AN ACT concerning Medicaid and supplementing P.L.1968, c.413
2 (C.30:4D-1 et seq.).

3

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

6

7 1. As used in this act:

8 "Commissioner" means the Commissioner of Human Services.

9 "General public assistance" means the Work First New Jersey
10 General Public Assistance program established pursuant to
11 P.L.1947, c.156 (C.44:8-107 et seq.).

12 "Medicaid" means the Medicaid program established pursuant to
13 P.L.1968, c.413 (C.30:4D-1 et seq.).

14 "Medicare" means the federal Medicare program established
15 pursuant to Title XVIII of the "Social Security Act," Pub.L.89-97
16 (42 U.S.C. s.1395 et seq.).

17 "Other non-institutional setting" means an assisted living
18 residence, a comprehensive personal care home, an assisted living
19 program in subsidized housing, a rooming or boarding house, a
20 free-standing residential health care facility, or any other non-
21 institutional setting as may be determined by regulation of the
22 commissioner.

23 "Room and board services" means the provision of such
24 assistance in paying mortgage or rental, food, and other expenses,
25 and the provision of such other services, as a hospice patient
26 requires to be able to remain in that person's home or other non-
27 institutional setting.

28

29 2. a. The Division of Medical Assistance and Health Services
30 in the Department of Human Services, subject to federal approval
31 and the availability of federal financial participation under Title
32 XIX of the Social Security Act, shall establish a three-year
33 Medicaid demonstration project as provided in this act. The
34 demonstration project shall be developed in consultation, and
35 implemented, with the managed care organizations that contract
36 with the Medicaid program to provide health care services to
37 Medicaid recipients or with other appropriate entities that contract
38 with the Medicaid program to provide health care services to
39 general public assistance recipients.

40 b. The demonstration project shall be designed to:

41 (1) provide Medicaid coverage for room and board services in a
42 home or other non-institutional setting to a terminally ill Medicaid
43 recipient who:

44 (a) is receiving hospice care under Medicare;

45 (b) requires room and board services in order to be sustained in
46 the person's home or other non-institutional setting;

1 (c) would otherwise be eligible for Medicaid coverage of room
2 and board services only in a hospital, nursing home, or other
3 institutional setting; and

4 (2) ensure that the costs to Medicaid of providing coverage as
5 set forth in paragraph (1) of this subsection to a recipient under the
6 demonstration project do not exceed the costs that would be
7 incurred by Medicaid for the recipient in a hospital, nursing home,
8 or other institutional setting.

9
10 3. The Director of the Division of Medical Assistance and
11 Health Services shall evaluate the demonstration project annually to
12 assess whether it has achieved its objectives in accordance with the
13 provisions of subsection b. of section 2 of this act.

14
15 4. The Commissioner of Human Services, no later than six
16 months after the effective date of this act, shall apply for such State
17 plan amendments or waivers as may be necessary to implement the
18 provisions of this act and to secure federal financial participation for
19 State Medicaid expenditures under the federal Medicaid program.

20
21 5. The commissioner shall report annually to the Governor, and
22 to the Legislature pursuant to section 2 of P.L.1991, c.164
23 (C.52:14-19.1), on the results of the demonstration project, and
24 shall include in that report the commissioner's findings and
25 recommendations based upon those results.

26
27 6. The commissioner, in accordance with the "Administrative
28 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), shall adopt
29 such rules and regulations as the commissioner deems necessary to
30 carry out the provisions of this act.

31
32 7. This act shall take effect on the first day of the seventh
33 month next following the date of enactment and shall expire three
34 years after the date that the Division of Medical Assistance and
35 Health Services commences implementation of the demonstration
36 project, but the commissioner may take such anticipatory
37 administrative action in advance thereof as shall be necessary for
38 the implementation of this act.

39

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STATEMENT

41

42 This bill establishes a three-year Medicaid demonstration
43 project, subject to federal approval and the availability of federal
44 financial participation for State Medicaid expenditures under the
45 federal Medicaid program.

46 The demonstration project will be designed to:

47 (1) provide Medicaid coverage for room and board services in a
48 home or other non-institutional setting to a terminally ill Medicaid

1 recipient who: is receiving hospice care under Medicare; requires
2 room and board services in order to be sustained in the person's
3 home or other non-institutional setting; and would otherwise be
4 eligible for Medicaid coverage of room and board services only in a
5 hospital, nursing home, or other institutional setting; and

6 (2) ensure that the costs to Medicaid of providing this coverage
7 to a recipient under the demonstration project do not exceed the
8 costs that would be incurred by Medicaid for the recipient in a
9 hospital, nursing home, or other institutional setting.

10 The bill defines:

11 "Room and board services" to mean the provision of such
12 assistance in paying mortgage or rental, food, and other expenses,
13 and the provision of such other services, as a hospice patient
14 requires to be able to remain in that person's home or other non-
15 institutional setting; and

16 "Other non-institutional setting" to mean an assisted living
17 residence, a comprehensive personal care home, an assisted living
18 program in subsidized housing, a rooming or boarding house, a
19 free-standing residential health care facility, or any other non-
20 institutional setting as may be determined by regulation of the
21 Commissioner of Human Services.

22 The Director of the Division of Medical Assistance and Health
23 Services in the Department of Human Services is to evaluate the
24 demonstration project annually, in order to assess whether it has
25 achieved its objectives in accordance with the provisions of the bill.

26 The Commissioner of Human Services, no later than six months
27 after the effective date of the bill, is to apply for such State plan
28 amendments or waivers as may be necessary to implement the
29 provisions of the bill and to secure federal financial participation for
30 State Medicaid expenditures under the demonstration project.

31 In addition, the commissioner is to report annually to the
32 Governor and the Legislature on the results of the demonstration
33 project, and to include in that report the commissioner's findings
34 and recommendations based upon those results.

35 The bill takes effect on the first day of the seventh month
36 following enactment and expires three years after the date that the
37 Division of Medical Assistance and Health Services commences
38 implementation of the demonstration project, but authorizes the
39 Commissioner of Human Services to take prior administrative
40 action as necessary for its implementation.

41 This bill is seeking to alleviate a problem for terminally ill
42 Medicaid patients who wish to receive hospice care at home or in
43 another non-institutional setting but, even though they are eligible
44 for the Medicare hospice benefit, have insufficient financial
45 resources to be sustained in that setting. These persons are
46 effectively required to receive hospice care in an institutional
47 setting because federal law prohibits Medicaid from paying for
48 room and board in a non-institutional setting.