

30:4D-21

2/9/88

LEGISLATIVE HISTORY CHECKLIST

NJSA: 30:4D-21 (PAAD-- increase income eligibility limits)

LAWS OF: 1987 CHAPTER: 221

Bill No: A2391

Sponsor(s): Singer, Rafferty and Rooney

Date Introduced: May 8, 1986

Committee: Assembly: Senior Citizens; Appropriations
Senate: Institutions, Health and Welfare

Amended during passage: Yes Amendments during passage denoted by asterisks.

Date of Passage: Assembly: June 19, 1986
Senate: May 18, 1987

Date of Approval: July 29, 1987

Following statements are attached if available:

Sponsor statement: Yes
Committee statement: Assembly Yes 5-22-86 and 6-12-86
Senate Yes
Fiscal Note: No
Veto Message: No
Message on Signing: Yes
Following were printed:
Reports: No
Hearings: No

See newspaper clipping-- attached:

"Kean enacts expanded prescription programs" 7-30-87 Star Ledger.

200
7-29-87 511

[OFFICIAL COPY REPRINT]

ASSEMBLY, No. 2391

STATE OF NEW JERSEY

INTRODUCED MAY 8, 1986

By Assemblymen SINGER, RAFFERTY and Rooney

AN ACT concerning eligibility for the "Pharmaceutical Assistance to the Aged and Disabled" program and amending P. L. 1975, c. 194.

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

1 1. Section 2 of P. L. 1975, c. 194 (C. 30:4D-21) is amended to
2 read as follows:

3 2. ***[a.]*** Any resident of this State who is either a recipient of
4 ***[Disability Insurance]*** **disability insurance** benefits under Title
5 II of the federal Social Security Act (42 U. S. C. § 401 et seq.) or
6 65 years of age and over and whose annual income is less than
7 ***[\$13,250.00]*** **\$13,650.00** if single or, if married, whose annual
8 income combined with that of his spouse is less than ***[\$16,250.00]***
9 **\$16,750.00**, shall be eligible for "Pharmaceutical Assistance to
10 the Aged and Disabled" if he is not otherwise qualified for assis-
11 tance under P. L. 1968, c. 413 (C. 30:4D-1 et seq.).

12 ***[b.]** *Beginning January 1, 1987 and annually thereafter, the in-*
13 *come eligibility limits provided in subsection a. of this section shall*
14 *increase by the same percentage as the Social Security benefit*
15 *cost-of-living increase for that year for single and married persons,*
16 *respectively. This increase shall be made within three months of*
17 *the determination of the Social Security cost-of-living increase.*
18 *During this three month period, no person who is receiving benefits*
19 *under the program shall be made ineligible for benefits because of*
20 *the cost-of-living increase from Social Security. The Commissioner*
21 *of Human Services shall adopt the new income limits annually by*

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 printed in italics *thus* is new matter.

Matter enclosed in asterisks or stars has been adopted as follows:

*—Senate committee amendments adopted February 26, 1987.

22 *regulation pursuant to the "Administrative Procedure Act," P. L.*
23 *1968, c. 410 (C. 52:14B-1 et seq.).*】*

1 2. This act shall take effect *【on the 60th day following enact-
2 ment】* **immediately and shall be retroactive to December 31,*
3 *1986*.*

PHARMACEUTICAL ASSISTANCE

Increases the income eligibility limits for the PAAD program.

ASSEMBLY, No. 2391
STATE OF NEW JERSEY

INTRODUCED MAY 8, 1986

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2 *of New Jersey:*

1 1. Section 2 of P. L. 1975, c. 194 (C. 30:4D-21) is amended to
2 read as follows:

3 2. *a.* Any resident of this State who is either a recipient of
4 Disability Insurance benefits under Title II of the federal Social
5 Security Act (42 U. S. C. § 401 et seq.) or 65 years of age and
6 over and whose annual income is less than \$13,250.00 if single or,
7 if married, whose annual income combined with that of his spouse
8 is less than \$16,250.00, shall be eligible for "Pharmaceutical
9 Assistance to the Aged and Disabled" if he is not otherwise
10 qualified for assistance under P. L. 1968, c. 413 (C. 30:4D-1 et
11 seq.).

12 *b.* *Beginning January 1, 1987 and annually thereafter, the in-*
13 *come eligibility limits provided in subsection a. of this section shall*
14 *increase by the same percentage as the Social Security benefit*
15 *cost-of-living increase for that year for single and married persons,*
16 *respectively. This increase shall be made within three months of*
17 *the determination of the Social Security cost-of-living increase.*
18 *During this three month period, no person who is receiving benefits*
19 *under the program shall be made ineligible for benefits because of*
20 *the cost-of-living increase from Social Security. The Commissioner*
21 *of Human Services shall adopt the new income limits annually by*
22 *regulation pursuant to the "Administrative Procedure Act," P. L.*
23 *1968, c. 410 (C. 52:14B-1 et seq.).*

1 2. This act shall take effect on the 60th day following enactment.

Matter printed in italics thus is new matter.

STATEMENT

This bill establishes an automatic cost-of-living increase in the income eligibility limits for the "Pharmaceutical Assistance to the Aged and Disabled" (PAAD) program that is tied to the annual cost-of-living increase in the Social Security program. The increase shall be made within three months of the determination of the cost-of-living increase and no person who is eligible shall be made ineligible for benefits because of the Social Security cost-of-living increase. The Commissioner of Human Services shall establish the program's income eligibility limits annually by regulation for single and married persons, respectively.

PHARMACEUTICAL ASSISTANCE

Increases the income eligibility limits for the PAAD program annually by the percentage increase in the Social Security benefit.

ASSEMBLY SENIOR CITIZENS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2391

STATE OF NEW JERSEY

DATED: MAY 22, 1986

The Assembly Senior Citizens Committee reports favorably Assembly Bill No. 2391.

The purpose of this bill is to establish an automatic cost-of-living increase in the income eligibility limits for the "Pharmaceutical Assistance to the Aged and Disabled" (PAAD) program that is tied to the annual cost-of-living increase in the Social Security program. The increase would be made within three months of the determination of the cost-of-living increase and no person who is eligible for the PAAD program would be made ineligible for benefits because of the Social Security cost-of-living increase. The Commissioner of Human Services would establish the program's income eligibility limits annually by regulation for single and married persons, respectively.

The "Lifeline Credit Program" income eligibility limits would increase annually by the same amounts since this program uses the same income eligibility standards as the PAAD program.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2391

STATE OF NEW JERSEY

DATED: JUNE 12, 1986

The Assembly Appropriations Committee favorably reports this bill.

Assembly Bill No. 2391 provides for increased income eligibility limits coupled to the cost-of-living increases in the Social Security program after January 1, 1987. This would affect recipients of the "Pharmaceutical Assistance to the Aged and Disabled" (PAAD) and the "Life-line Programs."

This cost-of-living increase will prevent certain individuals from becoming ineligible for the pharmaceutical programs due to an increase in their Social Security benefits. The increases in State income limits would be made within three months of the determination of the Social Security increases. No person currently eligible for the programs would become ineligible during that three month period due to the cost-of-living increase.

FISCAL IMPACT:

The bill pertains to Social Security benefit increases after January 1, 1987. It is estimated that the FY 1987 appropriation from the Casino Revenue Fund for the Pharmaceutical Assistance and Lifeline programs will be sufficient to fund any additional costs barring a significant increase in Social Security benefits. Funds are available because the expected increase in eligible recipients has not materialized when income limits were increased in August, 1985 from \$12,000.00 to \$13,250.00 and from \$15,000.00 to \$16,250.00 for single persons and married couples, respectively.

SENATE INSTITUTIONS, HEALTH AND WELFARE
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2391

with Senate committee amendments

STATE OF NEW JERSEY

DATED: FEBRUARY 26, 1987

The Senate Institutions, Health and Welfare Committee favorably reports Assembly Bill No. 2391 with committee amendments.

As amended by the committee, this bill increases the income eligibility limits in the "Pharmaceutical Assistance to the Aged and Disabled" (PAAD) program to \$13,650.00 and \$16,750.00 for single and married persons, respectively. The increase in the PAAD limits will be retroactive to December 31, 1986.

This bill will ensure that current PAAD recipients are not disqualified from PAAD as a result of the 1987 Social Security cost-of-living increase and that these persons will continue to receive Lifeline benefits, as eligibility for Lifeline is tied to income eligibility for PAAD.

The committee amended the bill to establish specific increases in the PAAD income eligibility limits rather than establish an automatic annual cost-of-living increase in the PAAD program. The amendments also change the effective date from 60 days following enactment to immediately and provide that the bill is retroactive to December 31, 1986.

As amended, this bill is identical to Senate Bill No. 732 4th OCR which is currently pending before the Senate.

9/14/901
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OFFICE OF THE GOVERNOR

NEWS RELEASE

CN-001

Contact: JOHN SAMERJAN
609-292-8956 OR 292-6000 EXT. 207

TRENTON, N.J. 08625

Release: WED., JULY 29, 1987

Governor Thomas H. Kean today signed legislation to increase the income eligibility limits for participation in the "Pharmaceutical Assistance to the Aged and Disabled" (PAAD) program. This increase will allow PAAD eligibility levels to keep pace with cost of living increases in Social Security benefits. Without this adjustment, increased social security benefits may have raised a senior citizen's income above the eligibility level, thus disqualifying them from the PAAD program.

The PAAD program provides payments to pharmacies for the reasonable cost of prescription drugs to the elderly and disabled. Participants in the program pay \$2.00 for each prescription with the State paying the remaining cost.

The legislation A-2391, sponsored by Assemblyman Robert Singer, R-Ocean, Assemblyman Jack Rafferty, R-Mercer and Senator Catherine Costa, D-Burlington, raises the income eligibility level from \$13,250 to \$13,650 for a single person and from \$16,250 to \$16,750 for a married couple. This increase is effective immediately and is retroactive to December 31st, 1986.

Governor Kean stated, "I want to commend the sponsors, Assemblymen Robert Singer and Jack Rafferty, for their work in protecting the over 210,000 PAAD recipients in New Jersey. The PAAD program is a vital part of our health care services for the elderly and disabled."

The fiscal year 1988 budget sets aside \$58.2 million from the general fund and \$51.3 million from the Casino Revenue Fund for the PAAD program.

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