

VETO MESSAGE: Yes

GOVERNOR'S PRESS RELEASE ON SIGNING: No

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REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES: No

LAW/RWH

P.L.2011, CHAPTER 208, *approved January 17, 2012*
Assembly, No. 387 (*Third Reprint*)

1 AN ACT ¹【designating a Statewide specialized long-term care
2 facility for】 concerning¹ the treatment of Huntington’s Disease
3 and supplementing Title 26 of the Revised Statutes.
4

5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
6 *of New Jersey:*
7

8 1. a. The Commissioner of Health and Senior Services
9 ³【shall】 ¹【designate JFK Hartwyck at Cedar Brook, a licensed
10 long-term care facility in the City of Plainfield, Union County, as a
11 Statewide specialized skilled nursing facility for persons requiring
12 specialized long-term care for Huntington’s Disease.

13 b. The commissioner shall¹ may³ issue a ¹【special】
14 ³【specialized¹】 care nursing facility license with ²【30】 40² beds for
15 the current Huntington’s Disease unit at JFK Hartwyck at Cedar
16 Brook and ¹【shall continue the existing】 a¹ Medicaid
17 ¹【participation】 provider¹ agreement for ¹【specialized care nursing
18 facility services held by the facility】 that ²【30-bed】 40-bed² unit¹.
19 The commissioner ¹【shall】 may¹ authorize JFK Hartwyck at Cedar
20 Brook to expand its Huntington’s Disease unit license and Medicaid
21 provider agreement, upon ¹demonstration of appropriate utilization
22 and future need, through¹ submission of a licensure application to
23 the Department of Health and Senior Services ¹【, up to a capacity
24 of 60 beds, subject solely to the commissioner’s determination that
25 the unit is in substantial compliance with currently adopted
26 Medicaid regulatory standards for operation of a specialized long-
27 term care facility and long-term care facility licensure】¹.
28 Notwithstanding any provision of law to the contrary, the
29 ¹【designation and】¹ licensure ¹issued pursuant to this act¹ shall not
30 be subject to certificate of need review pursuant to section 7 of
31 P.L.1971, c.136 (C.26:2H-7).

32 ¹【c.】 b.¹ ²The commissioner shall issue a specialized care
33 nursing facility license with 40 beds for a Huntington’s Disease unit
34 at Leisure Chateau Care and Rehabilitation Center in Lakewood and
35 a Medicaid provider agreement for that 40-bed unit. The
36 commissioner may authorize Leisure Chateau Care and

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.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly AHE committee amendments adopted December 6, 2010.

²Assembly AAP committee amendments adopted June 13, 2011.

³Assembly amendments adopted in accordance with Governor's recommendations January 9, 2012.

1 Rehabilitation Center to expand its Huntington's Disease unit
2 license and Medicaid provider agreement, upon demonstration of
3 appropriate utilization and future need, through submission of a
4 licensure application to the Department of Health and Senior
5 Services. Notwithstanding any provision of law to the contrary, the
6 licensure issued pursuant to this act shall not be subject to
7 certificate of need review pursuant to section 7 of P.L.1971, c.136
8 (C.26:2H-7).

9 c.² The '[commissioner] department' shall '[adopt] issue'
10 admission and discharge criteria for a specialized care nursing
11 facility serving persons with Huntington's Disease, which shall also
12 serve as the prior authorization criteria for Medicaid coverage,
13 consistent with the provisions of this section.

14 (1) A person shall be approved for admission to a '[designated
15 Huntington's Disease specialized long-term care unit] specialized
16 care nursing facility serving persons with Huntington's Disease' in
17 accordance with the following criteria:

18 (a) The person is at least 18 years of age or older, except as
19 otherwise provided by the commissioner on an individual case-by-
20 case basis;

21 (b) The person has been given a formal diagnosis of
22 Huntington's Disease confirmed by a neurologist or other qualified
23 physician specialist in Huntington's Disease '[in accordance with
24 criteria prescribed by the commissioner in consultation with the
25 Huntington's Disease Society of America]';

26 (c) The person's family is unable or unwilling to provide care at
27 home;

28 (d) The person does not require inpatient care in an acute care
29 hospital; '[and]'

30 (e) The person meets the existing criteria for admission into a
31 general long term care-facility; or, if the person does not have a
32 need for assistance with activities of daily living, shall have at least
33 one of the following needs:

34 (i) psychiatric care required as a result of severe cognitive
35 deficits and behavior abnormality;

36 (ii) significant physical, occupational, or speech therapy needs;
37 or

38 (iii) swallowing therapy in order to sustain the ability to ingest
39 food'; and

40 (f) The person shall be at a late stage 3, stage 4, or stage 5
41 according to the Shoulson-Fahn Functional Capacity Rating Scale
42 for Huntington's Disease, or at a similar stage on an alternative
43 recognized Huntington's Disease acuity scale acceptable to the
44 commissioner'.

45 (2) Discharge from a Huntington's Disease unit shall be based
46 upon the clinical judgment of the physician managing the person's

1 treatment] nursing facility license for a facility that provides care
 2 for Huntington's Disease³.

3 ¹[d.] ²[c. ¹] ³[d. ²] b. ³ The commissioner, pursuant to the
 4 "Administrative Procedure Act," P.L. 1968, c. 410 (C.52:14B-1 et
 5 seq.), ³[shall] may³ adopt rules and regulations to effectuate the
 6 purposes of this act ³[, including, but not limited to, the following:

7 (1) ¹[admission and discharge criteria for specialized care
 8 nursing facilities serving] ²[provisions for the licensure of a
 9 specialized care nursing facility that define such a facility to include
 10 a unit designated by the commissioner to] standards for the
 11 licensure of specialized care nursing facilities that² serve¹ persons
 12 with Huntington's Disease;

13 ²(2) criteria for the designation of additional specialized long-
 14 term care facility beds to meet the needs of persons with
 15 Huntington's Disease;² ¹and¹

16 ²[(2)]² ¹[criteria for the future designation of additional
 17 specialized long-term care facility beds to meet the needs of persons
 18 with Huntington's Disease, which shall be subject to certificate of
 19 need review, and

20 (3)]¹ ²(3)² provisions to ensure Medicaid reimbursement of
 21 ¹[the designated specialized care facility for] ²[a]² specialized care
 22 nursing ²[facility] facilities² serving persons with¹ Huntington's
 23 Disease at a rate commensurate with other designated or licensed
 24 specialized care nursing facilities located in New Jersey.

25 ²[¹d.] e.² The provisions of this act shall not be construed to
 26 prohibit a licensed long-term care facility that is not issued a
 27 specialized care nursing facility license pursuant to this act from
 28 admitting or serving a person who has a diagnosis of Huntington's
 29 Disease, or who otherwise exhibits symptoms that can be
 30 appropriately cared for in that facility]³ .¹

31

32 2. This act shall take effect immediately.

33

34

35

36

37 _____
 38 Permits issuance of nursing facility license for facility providing
 care for Huntington's Disease.

ASSEMBLY, No. 387

STATE OF NEW JERSEY

214th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2010 SESSION

Sponsored by:

Assemblyman PETER J. BARNES, III

District 18 (Middlesex)

Assemblyman PATRICK J. DIEGNAN, JR.

District 18 (Middlesex)

Assemblywoman LINDA R. GREENSTEIN

District 14 (Mercer and Middlesex)

Assemblywoman LINDA STENDER

District 22 (Middlesex, Somerset and Union)

Assemblyman RUBEN J. RAMOS, JR.

District 33 (Hudson)

Assemblyman JERRY GREEN

District 22 (Middlesex, Somerset and Union)

Co-Sponsored by:

Assemblyman Coutinho, Assemblywoman Tucker, Assemblymen Caputo, Greenwald, Prieto, Assemblywomen Jasey, Vandervalk, Assemblyman Giblin, Assemblywoman Rodriguez, Assemblymen Egan, Coughlin, Conners, Rumpf, Assemblywomen Gove, Wagner, Lampitt, Assemblyman Chivukula, Assemblywoman Voss and Assemblyman DeAngelo

SYNOPSIS

Designates Statewide specialized long-term care facility for treatment of Huntington's Disease.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel



(Sponsorship Updated As Of: 12/7/2010)

1 AN ACT designating a Statewide specialized long-term care facility
2 for the treatment of Huntington's Disease and supplementing
3 Title 26 of the Revised Statutes.

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

7
8 1. a. The Commissioner of Health and Senior Services shall
9 designate JFK Hartwyck at Cedar Brook, a licensed long-term care
10 facility in the City of Plainfield, Union County, as a Statewide
11 specialized skilled nursing facility for persons requiring specialized
12 long-term care for Huntington's Disease.

13 b. The commissioner shall issue a special care nursing facility
14 license with 30 beds for the current Huntington's Disease unit at
15 JFK Hartwyck at Cedar Brook and shall continue the existing
16 Medicaid participation agreement for specialized care nursing
17 facility services held by the facility. The commissioner shall
18 authorize JFK Hartwyck at Cedar Brook to expand its Huntington's
19 Disease unit license and Medicaid provider agreement, upon
20 submission of a licensure application to the Department of Health
21 and Senior Services, up to a capacity of 60 beds, subject solely to
22 the commissioner's determination that the unit is in substantial
23 compliance with currently adopted Medicaid regulatory standards
24 for operation of a specialized long-term care facility and long-term
25 care facility licensure. Notwithstanding any provision of law to the
26 contrary, the designation and licensure shall not be subject to
27 certificate of need review pursuant to section 7 of P.L.1971, c.136
28 (C.26:2H-7).

29 c. The commissioner shall adopt admission and discharge
30 criteria for a specialized care nursing facility serving persons with
31 Huntington's Disease, which shall also serve as the prior
32 authorization criteria for Medicaid coverage, consistent with the
33 provisions of this section.

34 (1) A person shall be approved for admission to a designated
35 Huntington's Disease specialized long-term care unit in accordance
36 with the following criteria:

37 (a) The person is at least 18 years of age or older, except as
38 otherwise provided by the commissioner on an individual case-by-
39 case basis;

40 (b) The person has been given a formal diagnosis of
41 Huntington's Disease confirmed by a neurologist or other qualified
42 physician specialist in Huntington's Disease in accordance with
43 criteria prescribed by the commissioner in consultation with the
44 Huntington's Disease Society of America;

45 (c) The person's family is unable or unwilling to provide care at
46 home;

1 (d) The person does not require inpatient care in an acute care
2 hospital; and

3 (e) The person meets the existing criteria for admission into a
4 general long term care-facility; or, if the person does not have a
5 need for assistance with activities of daily living, shall have at least
6 one of the following needs:

7 (i) psychiatric care required as a result of severe cognitive
8 deficits and behavior abnormality;

9 (ii) significant physical, occupational, or speech therapy needs;
10 or

11 (iii) swallowing therapy in order to sustain the ability to ingest
12 food.

13 (2) Discharge from a Huntington's Disease unit shall be based
14 upon the clinical judgment of the physician managing the person's
15 treatment.

16 d. The commissioner, pursuant to the "Administrative Procedure
17 Act," P.L. 1968, c. 410 (C.52:14B-1 et seq.), shall adopt rules and
18 regulations to effectuate the purposes of this act, including, but not
19 limited to, the following:

20 (1) admission and discharge criteria for specialized care nursing
21 facilities serving persons with Huntington's Disease;

22 (2) criteria for the future designation of additional specialized
23 long-term care facility beds to meet the needs of persons with
24 Huntington's Disease, which shall be subject to certificate of need
25 review, and

26 (3) provisions to ensure Medicaid reimbursement of the
27 designated specialized care facility for Huntington's Disease at a
28 rate commensurate with other designated or licensed specialized
29 care nursing facilities located in New Jersey.

30

31 2. This act shall take effect immediately.

32

33

34

STATEMENT

35

36 The purpose of this bill is to designate a Statewide specialized
37 long-term care facility for the treatment of the hereditary disorder
38 known as Huntington's Disease.

39 The bill provides specifically as follows:

40 • The Commissioner of Health and Senior Services is to designate
41 JFK Hartwyck at Cedar Brook, a licensed long-term care facility
42 in the City of Plainfield, Union County, as a Statewide
43 specialized skilled nursing facility for persons requiring
44 specialized long-term care for Huntington's Disease.

45 • The commissioner is to:

46 -- issue a special care nursing facility license with 30 beds for
47 the current Huntington's Disease unit at JFK Hartwyck at Cedar

1 Brook and continue the existing Medicaid participation agreement
2 for specialized care nursing facility services held by the facility;
3 and
4 -- authorize JFK Hartwyck at Cedar Brook to expand its
5 Huntington's Disease unit license and Medicaid provider
6 agreement, upon submission of a licensure application to the
7 Department of Health and Senior Services, up to a capacity of 60
8 beds, subject solely to the commissioner's determination that the
9 unit is in substantial compliance with currently adopted Medicaid
10 regulatory standards for operation of a specialized long-term care
11 facility and long-term care facility licensure.

- 12 • Notwithstanding any provision of law to the contrary, the
13 designation and licensure will not be subject to certificate of need
14 review pursuant to section 7 of P.L.1971, c.136 (C.26:2H-7).
- 15 • The commissioner is to adopt admission and discharge criteria for
16 a specialized care nursing facility serving persons with
17 Huntington's Disease, which will also serve as the prior
18 authorization criteria for Medicaid coverage, consistent with the
19 provisions of this bill.
- 20 • The commissioner is to adopt rules and regulations to effectuate
21 the purposes of the bill, including, but not limited to, the
22 following:
 - 23 -- admission and discharge criteria for specialized care nursing
24 facilities serving persons with Huntington's Disease;
 - 25 -- criteria for the future designation of additional specialized
26 long-term care facility beds to meet the needs of persons with
27 Huntington's Disease, which will be subject to certificate of need
28 review; and
 - 29 -- provisions to ensure Medicaid reimbursement of the
30 designated specialized care facility for Huntington's Disease at a
31 rate commensurate with other designated specialized care nursing
32 facilities located in New Jersey.

ASSEMBLY HEALTH AND SENIOR SERVICES COMMITTEE

STATEMENT TO

ASSEMBLY, No. 387

with committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 6, 2010

The Assembly Health and Senior Services Committee reports favorably and with committee amendments Assembly Bill No. 387.

As amended by the committee, this bill increases specialized care nursing facility beds for persons requiring specialized long-term care for Huntington's Disease.

The bill provides specifically as follows:

- The Commissioner of Health and Senior Services is directed to issue a specialized care nursing facility license with 30 beds for the current Huntington's Disease unit at JFK Hartwyck at Cedar Brook, a licensed long-term care facility in the City of Plainfield, Union County, and a Medicaid provider agreement for that 30-bed unit.
- The commissioner may authorize JFK Hartwyck at Cedar Brook to expand its Huntington's Disease unit license and Medicaid provider agreement, upon demonstration of appropriate utilization and future need, through submission of a licensure application to the Department of Health and Senior Services (DHSS).
- Notwithstanding any provision of law to the contrary, the licensure issued pursuant to this bill is not to be subject to certificate of need review.
- DHSS is to issue admission and discharge criteria for a specialized care nursing facility serving persons with Huntington's Disease, which will also serve as the prior authorization criteria for Medicaid coverage, consistent with the provisions of the bill.
- A person is to be approved for admission to a specialized care nursing facility serving persons with Huntington's Disease in accordance with the following criteria:
 - The person is at least 18 years of age or older, except as otherwise provided by the commissioner on an individual case-by-case basis;
 - The person has been given a formal diagnosis of Huntington's Disease confirmed by a neurologist or other qualified physician specialist in Huntington's Disease;
 - The person's family is unable or unwilling to provide care at home;

-- The person does not require inpatient care in an acute care hospital;

-- The person meets the existing criteria for admission into a general long term care-facility; or, if the person does not have a need for assistance with activities of daily living, has at least one of the following needs: (a) psychiatric care required as a result of severe cognitive deficits and behavior abnormality; (b) significant physical, occupational, or speech therapy needs; or (c) swallowing therapy in order to sustain the ability to ingest food; and

-- The person is at a late stage 3, stage 4, or stage 5 according to the Shoulson-Fahn Functional Capacity Rating Scale for Huntington's Disease, or at a similar stage on an alternative recognized Huntington's Disease acuity scale acceptable to the commissioner.

- Discharge from a Huntington's Disease unit is to be based upon the clinical judgment of the physician managing the person's treatment.

- The commissioner is to adopt rules and regulations to effectuate the purposes of the bill, including, but not limited to:

- provisions for the licensure of a specialized care nursing facility that define such a facility to include a unit designated by the commissioner to serve persons with Huntington's Disease; and

- provisions to ensure Medicaid reimbursement of a specialized care nursing facility serving persons with Huntington's Disease at a rate commensurate with other designated or licensed specialized care nursing facilities located in New Jersey.

- The provisions of the bill are not to be construed to prohibit a licensed long-term care facility that is not issued a specialized care nursing facility pursuant to this bill from admitting or serving a person who has a diagnosis of Huntington's Disease, or who otherwise exhibits symptoms that can be appropriately cared for in that facility.

In 1990, DHSS authorized the establishment of a Statewide specialized skilled nursing facility at JFK Hartwyck at Cedar Brook. DHSS approved the operation of 20 beds at the Huntington's Disease unit at JFK Hartwyck at Cedar Brook in 1995, and the number of approved beds increased to 24 in 2002. In order to meet the Statewide need for nursing facility beds for persons with Huntington's Disease, the committee finds that it is necessary to increase the licensed bed capacity of the Huntington's Disease unit at JFK Hartwyck at Cedar Brook.

This bill was pre-filed for introduction in the 2010-2011 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

COMMITTEE AMENDMENTS

The committee amendments to the bill:

- direct the Commissioner of Health and Senior Services to issue a specialized care nursing facility license with 30 beds for the current

Huntington's Disease unit at JFK Hartwyck at Cedar Brook (rather than designating the facility as a Statewide specialized care nursing facility);

-- provide that the commissioner may (rather than shall) authorize JFK Hartwyck at Cedar Brook to expand its Huntington's Disease unit license and Medicaid provider agreement, and that this expansion would be contingent upon demonstration of appropriate utilization and future need;

-- direct DHSS to issue (rather than the commissioner to adopt by regulation) admission and discharge criteria for a specialized care nursing facility serving persons with Huntington's Disease;

-- require that, as a condition of admission to a specialized care nursing facility serving persons with Huntington's Disease, a person be at a late stage 3, stage 4, or stage 5 according to the Shoulson-Fahn Functional Capacity Rating Scale for Huntington's Disease, or at a similar stage on an alternative recognized Huntington's Disease acuity scale acceptable to the commissioner; and

-- stipulate that the provisions of this bill are not to be construed to prohibit a licensed long-term care facility that is not issued a specialized care nursing facility license pursuant to the bill from admitting or serving a person who has a diagnosis of Huntington's Disease, or who otherwise exhibits symptoms that can be appropriately cared for in that facility.

MINORITY STATEMENT

Submitted by Assemblywomen Handlin, Angelini, Assemblyman Polistina, and Assemblywoman Munoz

The sponsors of this bill should be commended for their efforts to ensure that individuals with Huntingdon's Disease (HD) have access to high-quality care.

However, the bill authorizes the expansion of beds for only one facility that treats HD patients, JFK Hartwyck at Cedar Brook. Currently, there are other facilities in the State that also provide care to this population. Additionally, JFK Hartwyck will receive a higher Medicaid reimbursement rate than these other facilities for each additional bed.

We believe there should be a more coordinated effort by the State to evaluate the need for additional beds, determine the best location for those beds to ensure adequate access for HD patients, and determine the appropriate reimbursement rate for facilities that provide services to this population.

We are, therefore, compelled to withhold support for this legislation at this time.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

ASSEMBLY, No. 387

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 13, 2011

The Assembly Appropriations Committee reports favorably Assembly Bill No. 387 (1R), with committee amendments.

Assembly Bill No. 387 (1R), as amended, increases specialized care nursing facility beds for persons requiring specialized long-term care for Huntington's Disease.

The bill directs the Commissioner of Health and Senior Services to issue a specialized care nursing facility license with 40 beds for the current Huntington's Disease unit at JFK Hartwyck at Cedar Brook, and to issue a specialized care nursing facility license with 40 beds for Leisure Chateau Care and Rehabilitation Center in Lakewood. These two licenses will not be subject to certificate of need review.

The bill requires the Department of Health and Senior Services to issue admission and discharge criteria for a specialized care nursing facility serving persons with Huntington's Disease, which will also serve as the prior authorization criteria for Medicaid coverage, consistent with the provisions of the bill.

The bill specifies that the provisions of the bill are not to be construed to prohibit a licensed long-term care facility that is not issued a specialized care nursing facility from admitting or serving persons who have a diagnosis of Huntington's Disease, or who otherwise exhibit symptoms that can be appropriately cared for in that facility.

FISCAL IMPACT:

Information provided to the committee by industry indicates that this bill may increase State costs associated with Medicaid reimbursements to health care providers by \$1.5 million per year. This estimate of potential costs that may be incurred by the State is derived from data that suggest the cost of each new specialized care nursing facility bed added as a result of the bill is equal to \$50,000 per year, and assumes that the bill will provide for a total of 60 new specialized beds at two separate facilities in this State.

The OLS notes that this estimate represents the direct costs that may be born by the State; it does not take into consideration potential cost savings, such as decreased emergency room visits or reductions in State psychiatric facility care expenditures, or the alleviation of social costs from less appropriate care that may be realized as a result of the additional specialized beds provided by the bill.

COMMITTEE AMENDMENTS

The amendments increase the number of beds for which the commissioner is directed to issue a specialized care nursing facility license from 30 to 40 for the current Huntington's Disease unit at JFK Hartwyck at Cedar Brook, and directs the commissioner to similarly issue a specialized care nursing facility license with 40 beds for Leisure Chateau Care and Rehabilitation Center in Lakewood.

The amendments also direct the commissioner to adopt rules and regulations that include, among other things, licensure standards for specialized care nursing facilities that serve persons with Huntington's Disease, and criteria for the designation of additional specialized long-term care facility beds to meet the needs of persons with Huntington's Disease.

LEGISLATIVE FISCAL ESTIMATE

[Second Reprint]

ASSEMBLY, No. 387

STATE OF NEW JERSEY 214th LEGISLATURE

DATED: JUNE 23, 2011

SUMMARY

- Synopsis:** Increases specialized care nursing facility beds for persons with Huntington's Disease.
- Type of Impact:** An expenditure increase that would be offset with the availability of 50 percent federal Medicaid reimbursement.
- Agencies Affected:** Departments of Health and Senior Services and Human Services.

Office of Legislative Services Estimate

Fiscal Impact	<u>Years 1 – 3</u>
State Cost	About \$3.3 million (gross), assuming 100 percent occupancy, or about \$1.65 million State. Depending on the amount of income realized from patients, this amount may increase or decrease.

- In addition to the 80 Huntington's Disease beds authorized by the legislation, an unknown number of the 27,000+ nursing home recipients on Medicaid may have a diagnosis of Huntington's Disease. Other nursing homes that provide services to patients with Huntington's Disease would not be eligible for the increased Medicaid reimbursement rate.

BILL DESCRIPTION

Assembly Bill No. 387 (2R) of 2010 directs the Department of Health and Senior Services to issue a specialized care nursing facility license with 40 beds to the current Huntington's Disease Unit at JFK Hartwyck at Cedar Brook and to issue a specialized care nursing facility license with 40 beds for Leisure Chateau Care and Rehabilitation Center in Lakewood. These two licenses would not be subject to the Certificate of Need process. At present, the JFK facility is licensed for 20 beds. This legislation therefore, would increase the number of beds for patients with Huntington's Disease by 60 beds.

FISCAL ANALYSIS***EXECUTIVE BRANCH***

None provided.

OFFICE OF LEGISLATIVE SERVICES

Available information is that Medicaid reimbursement for the existing 20-bed Huntington's Disease unit is about \$325 per day, compared to a rate of about \$175 per day for the nursing home's non-Huntington's Disease patients. Thus, assuming that reimbursement to the new Huntington's Disease unit at Leisure Chateau would also increase by \$150 per day per bed, the additional 60 Huntington's Disease beds would increase Medicaid costs by about \$3.3 million (gross) annually, assuming 100 percent occupancy, or about \$1.65 million State. Depending on the amount of income received from patients, expenditures may be greater or less than \$3.3 million (gross). The additional cost would be offset by 50 percent federal Medicaid reimbursement.

It is noted that even though 60 additional beds are being made available for patients with Huntington's Disease, an unknown number of the 27,000+ patients in nursing homes who are Medicaid eligible may also have a diagnosis of Huntington's Disease. Other nursing homes that provide services to patients with Huntington's Disease would not receive higher Medicaid reimbursement for the services they provide to these patients.

Claims by advocates that these additional beds will reduce other health care expenditures, such as Emergency Department use, cannot be independently confirmed.

Finally, the estimates do not consider proposed changes included in the FY 2012 recommended budget that would reduce nursing home reimbursement, particularly to Special Care Nursing Facilities such as the Huntington's Disease unit.

Section: Human Services

*Analyst: Jay A. Hershberg
Principal Fiscal Analyst*

*Approved: David J. Rosen
Legislative Budget and Finance Officer*

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

[Second Reprint]
ASSEMBLY, No. 387

STATE OF NEW JERSEY

DATED: DECEMBER 8, 2011

The Senate Budget and Appropriations Committee reports favorably Assembly Bill No. 387 (2R).

The bill increases specialized care nursing facility beds for persons requiring specialized long-term care for Huntington's Disease.

The bill directs the Commissioner of Health and Senior Services to issue a specialized care nursing facility license with 40 beds for the current Huntington's Disease unit at JFK Hartwyck at Cedar Brook, and to issue a specialized care nursing facility license with 40 beds for Leisure Chateau Care and Rehabilitation Center in Lakewood. These two licenses will not be subject to certificate of need review.

The bill requires the Department of Health and Senior Services to issue admission and discharge criteria for a specialized care nursing facility serving persons with Huntington's Disease, which will also serve as the prior authorization criteria for Medicaid coverage, consistent with the provisions of the bill.

The bill specifies that its provisions are not to be construed to prohibit a licensed long-term care facility that is not issued a specialized care nursing facility from admitting or serving persons who have a diagnosis of Huntington's Disease, or who otherwise exhibit symptoms that can be appropriately cared for in that facility.

As reported, this bill is identical to Senate Bill No. 1735 (SCS), as also reported by the committee.

FISCAL IMPACT:

Using the FY 2011 reimbursement rates and assuming that reimbursement to the New Huntington's Disease unit at Leisure Chateau would increase by \$150 per bed, the additional 60 beds would increase Medicaid costs by about \$3.3 million annually.

Specifically, available information indicates that Medicaid reimbursement for the existing 20-bed Huntington's Disease unit was approximately \$325 per day during FY 2011, compared to a rate of about \$175 per day for the nursing home's non-Huntington's Disease patients. Thus, using the FY 2011 reimbursement rates and assuming that reimbursement to the new Huntington's Disease unit at Leisure

Chateau would also increase by \$150 per day per bed, the additional 60 Huntington's Disease beds would increase Medicaid costs by about \$3.3 million (gross) annually, assuming 100 percent occupancy, or about \$1.65 million State. Depending on the amount of income received from patients, expenditures may be greater or less than \$3.3 million (gross). The additional cost would be offset by 50 percent federal Medicaid reimbursement.

The FY 2012 appropriations act, however, adopted a new rate-setting methodology for nursing facilities based on each facility's case mix, rather than its patient population. Information is not currently available that would indicate how the overall case mixes of these two facilities would change with the addition of new patients with Huntington's Disease, and therefore OLS cannot estimate precisely how their reimbursement would change. This fiscal estimate assumes that the net changes in reimbursement to these facilities would be similar to the changes that would have occurred under the old rate-setting methodology.

It is noted that even though 60 additional beds are being made available for patients with Huntington's Disease, an unknown number of the 27,000+ patients in nursing homes who are Medicaid eligible may also have a diagnosis of Huntington's Disease. Other nursing homes that provide services to patients with Huntington's Disease would not receive higher Medicaid reimbursement for the services they provide to these patients.

Claims by advocates that these additional beds will reduce other health care expenditures, such as Emergency Department use, cannot be independently confirmed.

SENATE, No. 1735

STATE OF NEW JERSEY 214th LEGISLATURE

INTRODUCED MARCH 11, 2010

Sponsored by:

Senator JOSEPH F. VITALE

District 19 (Middlesex)

Senator ROBERT M. GORDON

District 38 (Bergen)

Co-Sponsored by:

Senators Scutari, T.Kean, S.Kean, Stack and Singer

SYNOPSIS

Designates Statewide specialized long-term care facility for treatment of Huntington's Disease.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 2/1/2011)

1 AN ACT designating a Statewide specialized long-term care facility
2 for the treatment of Huntington's Disease and supplementing
3 Title 26 of the Revised Statutes.

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

7
8 1. a. The Commissioner of Health and Senior Services shall
9 designate JFK Hartwyck at Cedar Brook, a licensed long-term care
10 facility in the City of Plainfield, Union County, as a Statewide
11 specialized skilled nursing facility for persons requiring specialized
12 long-term care for Huntington's Disease.

13 b. The commissioner shall issue a special care nursing facility
14 license with 30 beds for the current Huntington's Disease unit at
15 JFK Hartwyck at Cedar Brook and shall continue the existing
16 Medicaid participation agreement for specialized care nursing
17 facility services held by the facility. The commissioner shall
18 authorize JFK Hartwyck at Cedar Brook to expand its Huntington's
19 Disease unit license and Medicaid provider agreement, upon
20 submission of a licensure application to the Department of Health
21 and Senior Services, up to a capacity of 60 beds, subject solely to
22 the commissioner's determination that the unit is in substantial
23 compliance with currently adopted Medicaid regulatory standards
24 for operation of a specialized long-term care facility and long-term
25 care facility licensure. Notwithstanding any provision of law to the
26 contrary, the designation and licensure shall not be subject to
27 certificate of need review pursuant to section 7 of P.L.1971, c.136
28 (C.26:2H-7).

29 c. The commissioner shall adopt admission and discharge
30 criteria for a specialized care nursing facility serving persons with
31 Huntington's Disease, which shall also serve as the prior
32 authorization criteria for Medicaid coverage, consistent with the
33 provisions of this section.

34 (1) A person shall be approved for admission to a designated
35 Huntington's Disease specialized long-term care unit in accordance
36 with the following criteria:

37 (a) The person is at least 18 years of age or older, except as
38 otherwise provided by the commissioner on an individual case-by-
39 case basis;

40 (b) The person has been given a formal diagnosis of
41 Huntington's Disease confirmed by a neurologist or other qualified
42 physician specialist in Huntington's Disease in accordance with
43 criteria prescribed by the commissioner in consultation with the
44 Huntington's Disease Society of America;

45 (c) The person's family is unable or unwilling to provide care at
46 home;

47 (d) The person does not require inpatient care in an acute care
48 hospital; and

1 (e) The person meets the existing criteria for admission into a
2 general long term care-facility; or, if the person does not have a
3 need for assistance with activities of daily living, shall have at least
4 one of the following needs:

5 (i) psychiatric care required as a result of severe cognitive
6 deficits and behavior abnormality;

7 (ii) significant physical, occupational, or speech therapy needs;
8 or

9 (iii) swallowing therapy in order to sustain the ability to ingest
10 food.

11 (2) Discharge from a Huntington's Disease unit shall be based
12 upon the clinical judgment of the physician managing the person's
13 treatment.

14 d. The commissioner, pursuant to the "Administrative
15 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), shall adopt
16 rules and regulations to effectuate the purposes of this act,
17 including, but not limited to, the following:

18 (1) admission and discharge criteria for specialized care nursing
19 facilities serving persons with Huntington's Disease;

20 (2) criteria for the future designation of additional specialized
21 long-term care facility beds to meet the needs of persons with
22 Huntington's Disease, which shall be subject to certificate of need
23 review, and

24 (3) provisions to ensure Medicaid reimbursement of the
25 designated specialized care facility for Huntington's Disease at a
26 rate commensurate with other designated or licensed specialized
27 care nursing facilities located in New Jersey.

28

29 2. This act shall take effect immediately.

30

31

32

STATEMENT

33

34 The purpose of this bill is to designate a Statewide specialized
35 long-term care facility for the treatment of the hereditary disorder
36 known as Huntington's Disease.

37 The bill provides specifically as follows:

38 • The Commissioner of Health and Senior Services is to designate
39 JFK Hartwyck at Cedar Brook, a licensed long-term care facility
40 in the City of Plainfield, Union County, as a Statewide
41 specialized skilled nursing facility for persons requiring
42 specialized long-term care for Huntington's Disease.

43 • The commissioner is to:

44 -- issue a special care nursing facility license with 30 beds for
45 the current Huntington's Disease unit at JFK Hartwyck at Cedar
46 Brook and continue the existing Medicaid participation agreement
47 for specialized care nursing facility services held by the facility;
48 and

- 1 -- authorize JFK Hartwyck at Cedar Brook to expand its
2 Huntington's Disease unit license and Medicaid provider
3 agreement, upon submission of a licensure application to the
4 Department of Health and Senior Services, up to a capacity of 60
5 beds, subject solely to the commissioner's determination that the
6 unit is in substantial compliance with currently adopted Medicaid
7 regulatory standards for operation of a specialized long-term care
8 facility and long-term care facility licensure.
- 9 • Notwithstanding any provision of law to the contrary, the
10 designation and licensure will not be subject to certificate of need
11 review pursuant to section 7 of P.L.1971, c.136 (C.26:2H-7).
 - 12 • The commissioner is to adopt admission and discharge criteria for
13 a specialized care nursing facility serving persons with
14 Huntington's Disease, which will also serve as the prior
15 authorization criteria for Medicaid coverage, consistent with the
16 provisions of this bill.
 - 17 • The commissioner is to adopt rules and regulations to effectuate
18 the purposes of the bill, including, but not limited to, the
19 following:
 - 20 -- admission and discharge criteria for specialized care nursing
21 facilities serving persons with Huntington's Disease;
 - 22 -- criteria for the future designation of additional specialized
23 long-term care facility beds to meet the needs of persons with
24 Huntington's Disease, which will be subject to certificate of need
25 review; and
 - 26 -- provisions to ensure Medicaid reimbursement of the
27 designated specialized care facility for Huntington's Disease at a
28 rate commensurate with other designated specialized care nursing
29 facilities located in New Jersey.

SENATE HEALTH, HUMAN SERVICES AND SENIOR
CITIZENS COMMITTEE

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR
SENATE, No. 1735

STATE OF NEW JERSEY

DATED: JUNE 13, 2011

The Senate Health, Human Services and Senior Citizens Committee reports favorably a Senate Committee Substitute for Senate Bill No. 1735.

This committee substitute directs the Commissioner of Health and Senior Services to issue a specialized care nursing facility license with 40 beds for the current Huntington's Disease unit at JFK Hartwyck at Cedar Brook, and a Medicaid provider agreement for that 40-bed unit, and further directs the commissioner to issue a specialized care nursing facility license with 40 beds for Leisure Chateau Care and Rehabilitation Center in Lakewood and a Medicaid provider agreement for that 40-bed unit. Neither license would be subject to certificate of need review.

The substitute provides that the commissioner may authorize the above facilities to expand their Huntington's Disease unit licenses and Medicaid provider agreements, upon demonstration of appropriate utilization and future need, through submission of a licensure application to the Department of Health and Senior Services.

The department is to issue admission and discharge criteria for a specialized care nursing facility serving persons with Huntington's Disease, which shall also serve as the prior authorization criteria for Medicaid coverage, consistent with the requirements below:

- The person is at least 18 years of age, except as otherwise provided by the commissioner on a case-by-case basis;
- The person has been formally diagnosed with Huntington's Disease by a neurologist or a qualified physician specialist in Huntington's Disease;
- The person's family is unable or unwilling to provide care at home;
- The person does not require inpatient care in an acute care hospital;
- The person meets existing criteria for admission into a general long-term care facility; or, if the person does not need assistance with activities of daily living, requires psychiatric care due to severe cognitive deficits and behavior abnormality,

significant physical, occupational, or speech therapy, or swallowing therapy; and

- The person is at late stage 3, stage 4, or stage 5, according to the Shoulson-Fahn Functional Capacity Rating Scale for Huntington's Disease, or at a similar stage on an alternative recognized Huntington's Disease acuity scale acceptable to the commissioner.

Discharge from a Huntington's Disease unit shall be based upon the clinical judgment of the physician managing the person's treatment.

The commissioner is directed to adopt rules and regulations to effectuate the purposes of the substitute, including, but not limited to, the following:

- standards for the licensure of specialized care nursing facilities that serve persons with Huntington's Disease;
- criteria for designating additional specialized long-term care facility beds to meet the needs of persons with Huntington's Disease; and
- provisions to ensure Medicaid reimbursement of specialized care nursing facilities serving persons with Huntington's Disease at a rate commensurate with other designated or licensed specialized care nursing facilities in the State.

The substitute also provides that its provisions shall not be construed to prohibit other licensed long-term care facilities that have not been issued specialized care nursing facility licenses pursuant to the substitute from admitting or serving persons with Huntington's Disease or persons who otherwise exhibit symptoms that can be appropriately cared for in that facility.

The substitute would take effect immediately.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR **SENATE, No. 1735**

STATE OF NEW JERSEY

DATED: DECEMBER 8, 2011

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 1735 (SCS).

The substitute bill increases specialized care nursing facility beds for persons requiring specialized long-term care for Huntington's Disease.

The substitute bill directs the Commissioner of Health and Senior Services to issue a specialized care nursing facility license with 40 beds for the current Huntington's Disease unit at JFK Hartwyck at Cedar Brook, and to issue a specialized care nursing facility license with 40 beds for Leisure Chateau Care and Rehabilitation Center in Lakewood. These two licenses will not be subject to certificate of need review.

The substitute bill requires the Department of Health and Senior Services to issue admission and discharge criteria for a specialized care nursing facility serving persons with Huntington's Disease, which will also serve as the prior authorization criteria for Medicaid coverage, consistent with the provisions of the bill.

The substitute bill specifies that its provisions are not to be construed to prohibit a licensed long-term care facility that is not issued a specialized care nursing facility from admitting or serving persons who have a diagnosis of Huntington's Disease, or who otherwise exhibit symptoms that can be appropriately cared for in that facility.

As reported, this bill is identical to Assembly Bill No. 387 (2R), as also reported by the committee.

FISCAL IMPACT:

Using the FY 2011 reimbursement rates and assuming that reimbursement to the New Huntington's Disease unit at Leisure Chateau would increase by \$150 per bed, the additional 60 beds would increase Medicaid costs by about \$3.3 million annually.

Specifically, available information indicates that Medicaid reimbursement for the existing 20-bed Huntington's Disease unit was approximately \$325 per day during FY 2011, compared to a rate of

about \$175 per day for the nursing home's non-Huntington's Disease patients. Thus, using the FY 2011 reimbursement rates and assuming that reimbursement to the new Huntington's Disease unit at Leisure Chateau would also increase by \$150 per day per bed, the additional 60 Huntington's Disease beds would increase Medicaid costs by about \$3.3 million (gross) annually, assuming 100 percent occupancy, or about \$1.65 million State. Depending on the amount of income received from patients, expenditures may be greater or less than \$3.3 million (gross). The additional cost would be offset by 50 percent federal Medicaid reimbursement.

The FY 2012 appropriations act, however, adopted a new rate-setting methodology for nursing facilities based on each facility's case mix, rather than its patient population. Information is not currently available that would indicate how the overall case mixes of these two facilities would change with the addition of new patients with Huntington's Disease, and therefore OLS cannot estimate precisely how their reimbursement would change. This fiscal estimate assumes that the net changes in reimbursement to these facilities would be similar to the changes that would have occurred under the old rate-setting methodology.

It is noted that even though 60 additional beds are being made available for patients with Huntington's Disease, an unknown number of the 27,000+ patients in nursing homes who are Medicaid eligible may also have a diagnosis of Huntington's Disease. Other nursing homes that provide services to patients with Huntington's Disease would not receive higher Medicaid reimbursement for the services they provide to these patients.

Claims by advocates that these additional beds will reduce other health care expenditures, such as Emergency Department use, cannot be independently confirmed.

LEGISLATIVE FISCAL ESTIMATE
SENATE COMMITTEE SUBSTITUTE FOR
SENATE, No. 1735
STATE OF NEW JERSEY
214th LEGISLATURE

DATED: DECEMBER 12, 2011

SUMMARY

- Synopsis:** Increases specialized care nursing facility beds for persons with Huntington’s Disease.
- Type of Impact:** An expenditure increase that would be offset with the availability of 50 percent federal Medicaid reimbursement.
- Agencies Affected:** Departments of Health and Senior Services and Human Services.

Office of Legislative Services Estimate

Fiscal Impact	<u>Years 1 – 3</u>
State Cost	Estimated \$3.3 million (gross), assuming 100 percent occupancy, or about \$1.65 million State. Depending on the amount of income realized from patients and the effect of FY2012’s revised Medicaid rate-setting methodology, this amount may increase or decrease.

- The new Medicaid reimbursement rate-setting methodology for nursing homes adopted for FY2012 bases rates on a facility’s case mix rather than its patient population. Information is not available on how additional patients with Huntington’s Disease would affect the overall case mix for these facilities, and therefore OLS is not able to estimate how adding these patients would affect the facilities’ overall rates. This estimate uses the FY2011 reimbursement rates to approximate costs.

BILL DESCRIPTION

The Senate Committee Substitute for Senate Bill No. 1735 of 2011 directs the Department of Health and Senior Services to issue a specialized care nursing facility license with 40 beds to the current Huntington’s Disease Unit at JFK Hartwyck at Cedar Brook, and to issue a specialized care nursing facility license with 40 beds for Leisure Chateau Care and Rehabilitation Center in Lakewood. These two licenses would not be subject to the Certificate of Need process. At present, the JFK facility is licensed for 20 beds. This legislation therefore, would increase the number of beds for patients with Huntington’s Disease by 60 beds.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None provided.

OFFICE OF LEGISLATIVE SERVICES

Available information is that Medicaid reimbursement for the existing 20-bed Huntington's Disease unit was about \$325 per day during FY2011, compared to a rate of about \$175 per day for the nursing home's non-Huntington's Disease patients. Thus, using the FY2011 reimbursement rates and assuming that reimbursement to the new Huntington's Disease unit at Leisure Chateau would also increase by \$150 per day per bed, the additional 60 Huntington's Disease beds would increase Medicaid costs by about \$3.3 million (gross) annually, assuming 100 percent occupancy, or about \$1.65 million State. Depending on the amount of income received from patients, expenditures may be greater or less than \$3.3 million (gross). The additional cost would be offset by 50 percent federal Medicaid reimbursement.

The FY2012 appropriations act, however, adopted a new rate-setting methodology for nursing facilities based on each facility's case mix, rather than its patient population. Information is not currently available that would indicate how the overall case mixes of these two facilities would change with the addition of new patients with Huntington's Disease, and therefore OLS cannot estimate precisely how their reimbursement would change. This fiscal estimate assumes that the net changes in reimbursement to these facilities would be similar to the changes that would have occurred under the old rate-setting methodology.

It is noted that even though 60 additional beds are being made available for patients with Huntington's Disease, an unknown number of the 27,000+ patients in nursing homes who are Medicaid eligible may also have a diagnosis of Huntington's Disease. Other nursing homes that provide services to patients with Huntington's Disease would not receive higher Medicaid reimbursement for the services they provide to these patients.

Claims by advocates that these additional beds will reduce other health care expenditures, such as Emergency Department use, cannot be independently confirmed.

Using the FY2011 reimbursement rates and assuming that reimbursement to the New Huntington's Disease unit at Leisure Chateau would increase by \$150 per bed, the additional 60 beds would increase Medicaid costs by about \$3.3 million annually.

Section: Human Services

*Analyst: David Drescher
Assistant Fiscal Analyst*

*Approved: David J. Rosen
Legislative Budget and Finance Officer*

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

ASSEMBLY BILL NO. 387
(Second Reprint)

To the General Assembly:

Pursuant to Article V, Section I, Paragraph 14 of the New Jersey Constitution, I am returning Assembly Bill No. 387 (Second Reprint) with my recommendations for reconsideration.

This legislation would require the Commissioner of Health and Senior Services to issue two specialized care nursing facility licenses: one with forty beds for the Huntington's Disease unit at JFK Hartwyck at Cedar Brook, and one with forty beds for a Huntington's Disease unit at Leisure Chateau Care and Rehabilitation Center in Lakewood. While I understand the sponsors' desire to expand care for individuals suffering with Huntington's Disease, this legislation has significant flaws ranging from potential constitutional violations, to the imposition of a supplemental appropriation outside the budget process.

To begin, Paragraph 7 of Article IV, Section VII, of the New Jersey State Constitution provides in part that "[n]o general law shall embrace any provision of a private, special, or local character." Paragraph 8 of this same section requires that specific procedures be followed regarding the limited types of special legislation that may be adopted. Despite these prohibitions, this bill expressly mandates that an executive branch agency issue a State license to two specific private facilities. I am advised that the provision mandating the Commissioner of Health and Senior Services to issue specialized nursing facility licenses to two specified long-term care facilities, to the exclusion of every other long-term care facility in the State, appears to make this a law of private, special or local character. Moreover, the bill exempts the two

named facilities from the departmental review process for the issuance of a certificate of need, otherwise applicable to other long-term care facilities and hospitals.

Beyond these serious constitutional concerns, such a measure, if approved, would set a dangerous precedent, inviting incursions into the myriad of otherwise neutral licensing or regulatory schemes on behalf of specific favored causes. No matter how well intended these efforts may be, allowing such deviations from the licensing and regulatory processes carries an enormous potential for abuse. Ultimately, such "private" or "special" legislative provisions undermine the idea that laws should apply equally to all persons in the State.

Equally important, this bill obviates the budget process and adds a new supplemental appropriation of approximately \$3.3 million, with \$1.65 million from the general fund and \$1.65 in federal matching funding. The reimbursement rates for nursing facilities, including the two facilities named in the bill, have already been negotiated as part of the budget process. The fiscal year 2012 nursing facility rate setting methodology bases the rates on the facility's case mix rather than on its patient population. In other words, a facility's rate for reimbursement already accounts for the seriousness of each patient's diagnosis in a particular facility. This bill's attempt to further carve up the rate setting methodology beyond the budget process is an unnecessary and unwise departure from established fiscal planning.

Finally, and in addition to the constitutional and cost concerns, this bill, in its current form, jeopardizes approximately \$1.65 million in federal matching funds because the process for which individuals would be eligible for

admission to each nursing facility specifically named in the bill is inconsistent with federal requirements.

I recognize the difficulties facing those afflicted with Huntington's Disease, and the needs of family members who need access to comprehensive care to deal with this complex illness. Therefore, I recommend amending the bill to permit, rather than require, the Commissioner to issue a nursing facility license for a facility that provides care for Huntington's Disease.

Accordingly, I herewith return Assembly Bill No. 387 (Second Reprint) and recommend that it be amended as follows:

<u>Page 2, Section 1, Line 8:</u>	Delete "shall" and insert "may"
<u>Page 2, Section 1, Line 13:</u>	Delete "specialized" and insert "nursing facility license for a facility that provides care for Huntington's Disease."
<u>Page 2, Section 1, Lines 14-42:</u>	Delete in their entirety
<u>Page 2, Section 1, Lines 16-42:</u>	Delete in their entirety
<u>Page 3, Section 1, Lines 1-41:</u>	Delete in their entirety
<u>Page 3, Section 1, Line 42:</u>	Delete "d." and insert "b."
<u>Page 3, Section 1, Line 44:</u>	Delete "shall" and insert "may"
<u>Page 3, Section 1, Line 45:</u>	After "act" delete ", including, but not limited to, the following" and insert "."
<u>Page 4, Section 1, Lines 1-24:</u>	Delete in their entirety

Respectfully,

/s/ Chris Christie

Governor

[seal]

Attest:

/s/ Kevin M. O'Dowd

Deputy Chief Counsel to the Governor