

# 30:4D-17.33 to 30:4D-17.37

## LEGISLATIVE HISTORY CHECKLIST

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**LAWS OF:** 2010                    **CHAPTER:** 74

NJSA: 30:4D-17.33 to 30:4D-17.37 (Directs Medicaid to establish medical home demonstration project)

**BILL NO:** A226 (Substituted for S665)

**SPONSOR(S)** Quigley and others

**DATE INTRODUCED:** January 12, 2010

**COMMITTEE:**                    **ASSEMBLY:** Appropriations  
Health and Senior Services

**SENATE:** Budget and Appropriations

**AMENDED DURING PASSAGE:** Yes

**DATE OF PASSAGE:**                    **ASSEMBLY:** June 28, 2010

**SENATE:** June 10, 2010

**DATE OF APPROVAL:** September 10, 2010

### FOLLOWING ARE ATTACHED IF AVAILABLE:

**FINAL TEXT OF BILL** (Second reprint enacted)

**A226**

**SPONSOR'S STATEMENT:** (Begins on page 3 of introduced bill) Yes

**COMMITTEE STATEMENT:**                    **ASSEMBLY:** Yes    Health  
Appropriations

**SENATE:** Yes

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, *may possibly* be found at [www.njleg.state.nj.us](http://www.njleg.state.nj.us))

**FLOOR AMENDMENT STATEMENT:** No

**LEGISLATIVE FISCAL ESTIMATE:** Yes    4-27-10  
6-16-10

**S665**

**SPONSOR'S STATEMENT:** (Begins on page 3 of introduced bill) Yes

**COMMITTEE STATEMENT:**                    **ASSEMBLY:** No

**SENATE:** Yes    Health  
Budget

**FLOOR AMENDMENT STATEMENT:** No

**LEGISLATIVE FISCAL ESTIMATE:** Yes

(continued)

**VETO MESSAGE:** No

**GOVERNOR'S PRESS RELEASE ON SIGNING:** No

**FOLLOWING WERE PRINTED:**

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**REPORTS:** No

**HEARINGS:** No

**NEWSPAPER ARTICLES:** No

LAW/RWH

[Second Reprint]

**ASSEMBLY, No. 226**

**STATE OF NEW JERSEY**  
**214th LEGISLATURE**

PRE-FILED FOR INTRODUCTION IN THE 2010 SESSION

**Sponsored by:**

**Assemblywoman JOAN M. QUIGLEY**

**District 32 (Bergen and Hudson)**

**Assemblywoman VALERIE VAINIERI HUTTLE**

**District 37 (Bergen)**

**Assemblywoman LINDA R. GREENSTEIN**

**District 14 (Mercer and Middlesex)**

**Co-Sponsored by:**

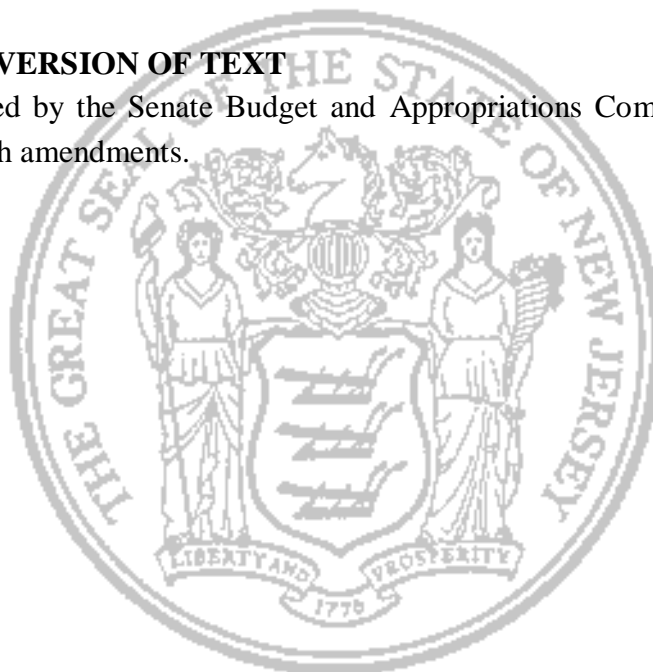
**Assemblywoman Wagner, Senators Buono, Vitale, Gordon, Weinberg,  
Ruiz, Stack, Cunningham and Assemblyman Johnson**

**SYNOPSIS**

Directs Medicaid to establish medical home demonstration project.

**CURRENT VERSION OF TEXT**

As reported by the Senate Budget and Appropriations Committee on May 27, 2010, with amendments.



**(Sponsorship Updated As Of: 6/29/2010)**

1 AN ACT concerning the Medicaid program and supplementing  
2 P.L.1968, c.413 (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. <sup>1</sup>a. The Division of Medical Assistance and Health Services  
8 in the Department of Human Services, subject to federal approval  
9 and the availability of federal financial participation under Title  
10 XIX of the Social Security Act, shall establish a three-year  
11 Medicaid medical home demonstration project as provided in this  
12 act. The demonstration project shall be developed in consultation  
13 and implemented with the managed care organizations <sup>2</sup>[<sup>1</sup>or other  
14 appropriate vendors<sup>1</sup>]<sup>2</sup> that contract with the Medicaid program to  
15 provide health care services to Medicaid <sup>2</sup>[<sup>1</sup>or general public  
16 assistance<sup>1</sup>]<sup>2</sup> recipients <sup>2</sup>or with other appropriate vendors that  
17 contract with the Medicaid program to provide health care services  
18 to general public assistance recipients<sup>2</sup>.

19 <sup>1</sup>b. The Medicaid program shall:

20 <sup>1</sup>[a. Restructure its payment system to support primary care  
21 providers that use a medical home model. The program shall  
22 consider] (1) Consider<sup>1</sup> payment methodologies that support care-  
23 coordination through multi-disciplinary teams, including payment  
24 for care of patients with chronic diseases and the elderly, and that  
25 encourage services such as: <sup>1</sup>[(1)] (a) patient or family education  
26 for patients with chronic diseases; <sup>1</sup>[(2)] (b) home-based services;  
27 <sup>1</sup>[(3)] (c) telephonic communication; <sup>1</sup>[(4)] (d) group care; <sup>1</sup>(e)  
28 oral health examinations, when applicable;<sup>1</sup> and <sup>1</sup>[(5)] (f)  
29 culturally and linguistically appropriate care. In addition, the  
30 payment system shall be structured to reward quality and improved  
31 patient outcomes <sup>1</sup>[.];<sup>1</sup>

32 <sup>1</sup>[b.] (2) Develop a system to support primary care providers in  
33 developing an organizational structure necessary to provide a  
34 medical home <sup>1</sup>[.]; and<sup>1</sup>

35 <sup>1</sup>[c.] (3) Identify primary care providers for participation in the  
36 demonstration project that provide care to their patients using a  
37 medical home model, which at a minimum shall include primary  
38 care providers utilizing a multi-disciplinary team that provides  
39 patient-centered care coordination through the use of health  
40 information technology and chronic disease registries across the  
41 patient's life-span and across all domains of the health care system  
42 and the patient's community.

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:

<sup>1</sup>Assembly AHE committee amendments adopted February 8, 2010.

<sup>2</sup>Senate SBA committee amendments adopted May 27, 2010.

1        <sup>1</sup>[d.] c.<sup>1</sup> Nothing in this act shall be construed to limit the  
2 choice of a Medicaid <sup>1</sup>or general public assistance<sup>1</sup> recipient who is  
3 participating in <sup>1</sup>[a] the<sup>1</sup> medical home demonstration project to  
4 directly access a qualified health care provider for family planning  
5 services who is not participating in the demonstration project.

6        <sup>1</sup>d. Subject to the availability of federal matching funds, the  
7 Division of Medical Assistance and Health Services shall begin  
8 implementing the demonstration project no later than January 1,  
9 2011.<sup>1</sup>

10        e. As used in this act:

11        <sup>1</sup>“General public assistance” means the Work First New Jersey  
12 General Public Assistance program established pursuant to  
13 P.L.1947, c.156 (C.44:8-107 et seq.);<sup>1</sup>

14        “Medicaid” means the Medicaid program established pursuant to  
15 P.L.1968, c.413 (C.30:4D-1 et seq.); and

16        “Primary care provider” includes, but is not limited to, a primary  
17 care professional medical practice, a federally qualified or  
18 community health center, and a primary care outpatient clinic  
19 operated by a general hospital.

20  
21        2. The Director of the Division of Medical Assistance and  
22 Health Services shall evaluate the demonstration project annually to  
23 assess: whether cost savings are achieved through implementation  
24 of the medical home project; the rates of health screening; and the  
25 outcomes and hospitalization rates for persons with chronic  
26 illnesses, and the hospitalization and readmission rates for the frail  
27 elderly.

28  
29        <sup>1</sup>3. The Commissioner of Human Services shall apply for such  
30 State plan amendments or waivers as may be necessary to implement  
31 the provisions of this act and to secure federal financial participation  
32 for State Medicaid expenditures under the federal Medicaid program.<sup>1</sup>

33  
34        <sup>1</sup>[3.] 4.<sup>1</sup> The <sup>1</sup>[Director of the Division of Medical Assistance  
35 and Health Services] Commissioner of Human Services<sup>1</sup> shall  
36 report annually to the Governor, and to the Legislature pursuant to  
37 section 2 of P.L.1991, c.164 (C.52:14-19.1), on <sup>1</sup>[his] the<sup>1</sup> findings  
38 and recommendations of the demonstration project.

39  
40        <sup>1</sup>[4.] 5.<sup>1</sup> The Commissioner of Human Services shall, in  
41 accordance with the “Administrative Procedure Act,” P.L.1968,  
42 c.410 (C.52:14B-1 et seq.), adopt such rules and regulations as the  
43 commissioner deems necessary to carry out the provisions of this  
44 act.

A226 [2R] QUIGLEY, VAINIERI HUTTLE

4

1       ~~'[5.]~~ 6.<sup>1</sup> This act shall take effect on the 180th day after  
2 enactment and shall expire three years after the effective date, but  
3 the Commissioner of Human Services may take such anticipatory  
4 administrative action in advance thereof as shall be necessary for  
5 the implementation of this act.

# ASSEMBLY, No. 226

## STATE OF NEW JERSEY

### 214th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2010 SESSION

**Sponsored by:**

**Assemblywoman JOAN M. QUIGLEY**

**District 32 (Bergen and Hudson)**

**Assemblywoman VALERIE VAINIERI HUTTLE**

**District 37 (Bergen)**

**Assemblywoman LINDA R. GREENSTEIN**

**District 14 (Mercer and Middlesex)**

**Co-Sponsored by:**

**Assemblywoman Wagner**

**SYNOPSIS**

Directs Medicaid to establish medical home demonstration project.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel



1 AN ACT concerning the Medicaid program and supplementing  
2 P.L.1968, c.413 (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. The Division of Medical Assistance and Health Services in  
8 the Department of Human Services, subject to federal approval and  
9 the availability of federal financial participation under Title XIX of  
10 the Social Security Act, shall establish a three-year Medicaid  
11 medical home demonstration project as provided in this act. The  
12 demonstration project shall be developed in consultation and  
13 implemented with the managed care organizations that contract with  
14 the Medicaid program to provide health care services to Medicaid  
15 recipients.

16 The Medicaid program shall:

17 a. Restructure its payment system to support primary care  
18 providers that use a medical home model. The program shall  
19 consider payment methodologies that support care-coordination  
20 through multi-disciplinary teams, including payment for care of  
21 patients with chronic diseases and the elderly, and that encourage  
22 services such as: (1) patient or family education for patients with  
23 chronic diseases; (2) home-based services; (3) telephonic  
24 communication; (4) group care; and (5) culturally and linguistically  
25 appropriate care. In addition, the payment system shall be  
26 structured to reward quality and improved patient outcomes.

27 b. Develop a system to support primary care providers in  
28 developing an organizational structure necessary to provide a  
29 medical home.

30 c. Identify primary care providers for participation in the  
31 demonstration project that provide care to their patients using a  
32 medical home model, which at a minimum shall include primary  
33 care providers utilizing a multi-disciplinary team that provides  
34 patient-centered care coordination through the use of health  
35 information technology and chronic disease registries across the  
36 patient's life-span and across all domains of the health care system  
37 and the patient's community.

38 d. Nothing in this act shall be construed to limit the choice of a  
39 Medicaid recipient who is participating in a medical home  
40 demonstration project to directly access a qualified health care  
41 provider for family planning services who is not participating in the  
42 demonstration project.

43 e. As used in this act:

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

46 "Primary care provider" includes, but is not limited to, a primary  
47 care professional medical practice, a federally qualified or



1 community health center, and a primary care outpatient clinic  
2 operated by a general hospital.

3

4 2. The Director of the Division of Medical Assistance and  
5 Health Services shall evaluate the demonstration project annually to  
6 assess: whether cost savings are achieved through implementation  
7 of the medical home project; the rates of health screening; and the  
8 outcomes and hospitalization rates for persons with chronic  
9 illnesses, and the hospitalization and readmission rates for the frail  
10 elderly.

11

12 3. The Director of the Division of Medical Assistance and  
13 Health Services shall report annually to the Governor, and to the  
14 Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1),  
15 on his findings and recommendations of the demonstration project.

16

17 4. The Commissioner of Human Services shall, in accordance  
18 with the "Administrative Procedure Act," P.L.1968, c.410  
19 (C.52:14B-1 et seq.), adopt such rules and regulations as the  
20 commissioner deems necessary to carry out the provisions of this  
21 act.

22

23 5. This act shall take effect on the 180th day after enactment  
24 and shall expire three years after the effective date, but the  
25 Commissioner of Human Services may take such anticipatory  
26 administrative action in advance thereof as shall be necessary for  
27 the implementation of this act.

28

29

30

STATEMENT

31

32 This bill directs the State Medicaid program, subject to federal  
33 approval and the availability of federal financial participation under  
34 Title XIX of the Social Security Act, to establish a three-year  
35 Medicaid medical home demonstration project. The demonstration  
36 project shall be developed in consultation and implemented with the  
37 managed care organizations that contract with the Medicaid  
38 program to provide health care services to Medicaid recipients.

39 The Medicaid program shall:

- 40 • restructure its payment system to support primary care  
41 providers that use a medical home model. The program shall  
42 consider payment methodologies that support care-  
43 coordination through multi-disciplinary teams, including  
44 payment for care of patients with chronic diseases and the  
45 elderly, and that encourage services such as: (1) patient or  
46 family education for patients with chronic diseases; (2) home-  
47 based services; (3) telephonic communication; (4) group care;

- 1 and (5) culturally and linguistically appropriate care. In  
2 addition, the payment system shall be structured to reward  
3 quality and improved patient outcomes;
- 4 • develop a system to support primary care providers in  
5 developing an organizational structure necessary to provide a  
6 medical home; and
  - 7 • identify primary care providers for participation in the  
8 demonstration project that provide care to their patients using a  
9 medical home model, which at a minimum shall include  
10 primary care providers utilizing a multi-disciplinary team that  
11 provides patient-centered care coordination through the use of  
12 health information technology and chronic disease registries  
13 across the patient's life-span and across all domains of the  
14 health care system and the patient's community.

15 Under the bill, nothing in the bill is to be construed to limit the  
16 choice of a Medicaid recipient who is participating in a medical  
17 home demonstration project to directly access a qualified health  
18 care provider for family planning services who is not participating  
19 in the demonstration project.

20 The bill defines "primary care provider" to include, but not be  
21 limited to, a primary care professional medical practice, a federally  
22 qualified or community health center, and a primary care outpatient  
23 clinic operated by a general hospital a primary care.

24 The bill provides that the Director of the Division of Medical  
25 Assistance and Health Services, which administers the Medicaid  
26 program, shall evaluate the demonstration project annually to  
27 assess: (1) whether cost savings are achieved through  
28 implementation of the medical home project; (2) the rates of health  
29 screening; and (3) the outcomes and hospitalization rates for  
30 persons with chronic illnesses, and the hospitalization and  
31 readmission rates for the frail elderly.

32 The director shall report annually to the Governor, and to the  
33 Legislature on his findings and recommendations of the  
34 demonstration project.

35 The bill takes effect on the 180th day after enactment and expires  
36 three years after the effective date, but the Commissioner of Human  
37 Services is authorized to take such anticipatory administrative  
38 action in advance thereof as shall be necessary for the  
39 implementation of the bill.

# ASSEMBLY HEALTH AND SENIOR SERVICES COMMITTEE

## STATEMENT TO

### **ASSEMBLY, No. 226**

with committee amendments

# **STATE OF NEW JERSEY**

DATED: FEBRUARY 8, 2010

The Assembly Health and Senior Services Committee reports favorably and with committee amendments Assembly Bill No. 226.

As amended by the committee, this bill directs the State Medicaid program, subject to federal approval and the availability of federal financial participation under Title XIX of the Social Security Act, to establish a three-year Medicaid medical home demonstration project.

The bill provides specifically as follows:

- The demonstration project is to be developed in consultation and implemented with the managed care organizations or other appropriate vendors that contract with the Medicaid program to provide health care services to Medicaid or general public assistance (GA) recipients.
- Subject to the availability of federal funds, the Medicaid program is to begin implementing the demonstration project no later than January 1, 2011.
- The Medicaid program is to:
  - consider payment methodologies that support care-coordination through multi-disciplinary teams, including payment for care of patients with chronic diseases and the elderly, and that encourage services such as: (1) patient or family education for patients with chronic diseases; (2) home-based services; (3) telephonic communication; (4) group care; (5) oral health examinations, when applicable; and (6) culturally and linguistically appropriate care (with the payment system structured to reward quality and improved patient outcomes);
  - develop a system to support primary care providers in developing an organizational structure necessary to provide a medical home; and
- -- identify primary care providers for participation in the demonstration project that provide care to their patients using a medical home model, which at a minimum will include primary care providers utilizing a multi-disciplinary team that provides patient-centered care coordination through the use of health information technology and chronic disease registries across the patient's life-

span and across all domains of the health care system and the patient's community.

- The provisions of the bill are not to be construed to limit the choice of a Medicaid or GA recipient who is participating in the demonstration project to directly access a qualified health care provider for family planning services who is not participating in the project.
- The bill defines "primary care provider" to mean, but not be limited to, a primary care professional medical practice, a federally qualified or community health center, and a primary care outpatient clinic operated by a general hospital.
- The Director of the Division of Medical Assistance and Health Services in the Department of Human Services, which administers the Medicaid program, is to evaluate the demonstration project annually to assess: (1) whether cost savings are achieved through implementation of the demonstration project; (2) the rates of health screening; and (3) the outcomes and hospitalization rates for persons with chronic illnesses, and the hospitalization and readmission rates for the frail elderly.
- The Commissioner of Human Services is to: apply for such Medicaid State plan amendments or waivers as may be necessary to implement the provisions of the bill; and report annually to the Governor and the Legislature on the findings and recommendations of the demonstration project.
- The bill takes effect on the 180th day after enactment and expires three years after the effective date, but the Commissioner of Human Services is authorized to take such anticipatory administrative action in advance thereof as shall be necessary for the implementation of the bill.

As reported by the committee, this bill is identical to Senate Bill No. 665 (1R) (Buono/Vitale), which is currently pending in the Senate Budget and Appropriations Committee.

The bill is also similar to Assembly Bill No. 3553 (1R) of 2008 (Quigley/Vas/Vainieri Huttle), which was reported by this committee during the prior session and was pending before the General Assembly at the conclusion of the 213th Legislature.

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:

- include GA recipients in the demonstration project, as well as Medicaid recipients as the bill originally provided;
- delete the requirement that the Medicaid program restructure its payment system to support primary care providers that use a medical home model;

-- require Medicaid to encourage oral health examinations, when applicable, in addition to the other services enumerated in the bill that are to be encouraged through payment methodologies that support care coordination;

-- require Medicaid to begin implementing the demonstration project no later than January 1, 2011, subject to the availability of federal matching funds;

-- direct the Commissioner of Human Services to apply for Medicaid State plan amendments or waivers as necessary to implement the provisions of the bill; and

-- require that the Commissioner of Human Services, rather than the Director of the Division of Medical Assistance and Health Services, report to the Governor and Legislature on the findings and recommendations of the demonstration project.

# ASSEMBLY APPROPRIATIONS COMMITTEE

## STATEMENT TO

[First Reprint]

**ASSEMBLY, No. 226**

# **STATE OF NEW JERSEY**

DATED: MARCH 18, 2010

The Assembly Appropriations Committee reports favorably Assembly Bill No. 226 (1R).

The bill directs the State Medicaid program, subject to federal approval and the availability of federal financial participation under Title XIX of the Social Security Act, to establish a three-year Medicaid medical home demonstration project.

The bill directs that the demonstration project be developed in consultation with, and implemented with, the managed care organizations or other appropriate vendors that contract with the Medicaid program to provide health care services to Medicaid or general public assistance (GA) recipients.

Subject to the availability of federal funds, the Medicaid program will begin implementing the demonstration project no later than January 1, 2011.

The bill directs the Medicaid program to:

- consider payment methodologies that support care-coordination through multi-disciplinary teams, including payment for care of patients with chronic diseases and the elderly, and that encourage services such as: (1) patient or family education for patients with chronic diseases; (2) home-based services; (3) telephonic communication; (4) group care; (5) oral health examinations, when applicable; and (6) culturally and linguistically appropriate care (with the payment system structured to reward quality and improved patient outcomes);

- develop a system to support primary care providers in developing an organizational structure necessary to provide a medical home; and

- identify primary care providers for participation in the demonstration project that provide care to their patients using a medical home model, which at a minimum will include primary care providers utilizing a multi-disciplinary team that provides patient-centered care coordination through the use of health information technology and chronic disease registries across the patient's life-span and across all domains of the health care system and the patient's community.

The bill forbids the provisions of the bill from being construed to limit the choice of a Medicaid or GA recipient who is participating in the demonstration project to directly access a qualified health care provider for family planning services who is not participating in the project.

The bill defines “primary care provider” to include, but not be limited to, a primary care professional medical practice, a federally qualified or community health center, and a primary care outpatient clinic operated by a general hospital.

The bill directs the Director of the Division of Medical Assistance and Health Services in the Department of Human Services, which administers the Medicaid program, to evaluate the demonstration project annually to assess: (1) whether cost savings are achieved through implementation of the demonstration project; (2) the rates of health screening; and (3) the outcomes and hospitalization rates for persons with chronic illnesses, and the hospitalization and readmission rates for the frail elderly.

The bill directs the Commissioner of Human Services to: apply for such Medicaid State plan amendments or waivers as may be necessary to implement the provisions of the bill; and report annually to the Governor and the Legislature on the findings and recommendations of the demonstration project. It is uncertain whether federal approval will be obtained, as demonstration projects must be cost neutral.

The bill takes effect on the 180th day after enactment and expires three years after the effective date, but the Commissioner of Human Services is authorized to take such anticipatory administrative action in advance thereof as shall be necessary for the implementation of the bill.

#### FISCAL IMPACT:

Initially, Medicaid expenditures related to establishing medical homes will increase as Medicaid reimbursement rates for participating primary care providers will be increased by some amount yet to be determined. This increase in Medicaid primary care provider expenditures may be offset in later years by reductions in other Medicaid health care expenditures, particularly inpatient and outpatient hospital costs, as primary care providers would devote more time to patients and would be able to identify and treat medical problems before they result in more expensive inpatient or outpatient hospital services.

Whether overall Medicaid expenditures can be reduced as a result of establishing a medical home pilot project and providing greater reimbursement to primary care providers will be determined by the demonstration project.

# LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

## ASSEMBLY, No. 226

### STATE OF NEW JERSEY 214th LEGISLATURE

DATED: APRIL 27, 2010

#### SUMMARY

- Synopsis:** Directs Medicaid to establish medical home demonstration project.
- Type of Impact:** Possible increase in State and federal Medicaid costs at least during the first year.
- Agencies Affected:** Department of Human Services (DHS).

#### Office of Legislative Services Estimate

<b>Fiscal Impact</b>	<b><u>Years 1 – 3</u></b>
<b>State Cost</b>	<p>With respect to the Medicaid program, no additional State costs in the aggregate, and it is possible that overall State Medicaid costs may be reduced if increased Medicaid reimbursement for primary health care is offset over the three-year demonstration period by reductions in other Medicaid health care expenditures individuals may incur.</p> <p>With respect to the General Assistance program, State expenditures would be reduced, if the federal government agreed to provide federal reimbursement for this program. At present, no federal reimbursement is available for General Assistance medical services.</p>

- Medicaid demonstration projects are intended to be cost neutral in terms of overall expenditures. It is not known whether the federal government will approve the State's demonstration project request.

#### BILL DESCRIPTION

Assembly Bill No. 226 1R of 2010 directs the State Medicaid program, subject to federal approval and the availability of federal matching funds, to establish a three-year Medicaid medical home demonstration project for Medicaid and General Assistance recipients.

Medicaid is to:



- restructure its payment system to support primary care practices that use a medical home model;
- develop a system to support primary care providers in developing an organizational structure necessary to provide a medical home; and
- identify primary care practices for participation in the demonstration project that provide care to their patients using a medical home model.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None provided.

### ***OFFICE OF LEGISLATIVE SERVICES***

Initially, expenditures in the Medicaid and General Assistance Medical Services programs related to the provision of primary health care will increase as Medicaid reimbursement rates for primary health care services will be increased by some amount yet to be determined in order to facilitate the establishment of a medical home for Medicaid and General Assistance patients. This increase in Medicaid and General Assistance primary health care expenditures may be offset in later years by reductions in other Medicaid and General Assistance health care expenditures, particularly inpatient and outpatient hospital costs, as primary health care physicians would devote more time to patients and would be able to identify and treat medical problems before they result in more expensive inpatient or outpatient hospital services.

Whether overall Medicaid and General Assistance expenditures can be reduced as a result of establishing a medical home and providing greater reimbursement for primary care services will be determined by the demonstration project. It is not known whether or when federal approval will be received for this project.

*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-1 et seq.).

# SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

[First Reprint]

### **ASSEMBLY, No. 226**

with committee amendments

# **STATE OF NEW JERSEY**

DATED: MAY 27, 2010

The Senate Budget and Appropriations Committee reports favorably Assembly Bill No. 226 (1R), with committee amendments.

The bill, as amended, directs the State Medicaid program, subject to federal approval and the availability of federal financial participation under Title XIX of the Social Security Act, to establish a three-year Medicaid medical home demonstration project. The demonstration project shall be developed and implemented in consultation with the managed care organizations that contract with the Medicaid program to provide health care services to Medicaid recipients or with other appropriate vendors that contract with the Medicaid program to provide health care services to general public assistance recipients. Subject to the availability of federal funds, the Medicaid program shall begin implementing the demonstration project no later than January 1, 2011.

The Medicaid program shall:

- consider payment methodologies that support care-coordination through multi-disciplinary teams; , including payment for care of patients with chronic diseases and the elderly, and that encourage services such as: (1) patient or family education for patients with chronic diseases; (2) home-based services; (3) telephonic communication; (4) group care; (5) oral health examinations, when applicable; and (6) culturally and linguistically appropriate care. In addition, the payment system shall be structured to reward quality and improved patient outcomes;
- develop a system to support primary care providers in developing an organizational structure necessary to provide a medical home; and
- identify primary care providers for participation in the demonstration project that provide care to their patients using a medical home model, which at a minimum shall include primary care providers utilizing a multi-disciplinary team that provides patient-centered care coordination through the use of health information technology and chronic disease registries across the

patient's life-span and across all domains of the health care system and the patient's community.

The bill specifies that its provisions shall not be construed to limit the choice of a Medicaid or GA recipient who is participating in a medical home demonstration project to directly access a qualified health care provider for family planning services who is not participating in the demonstration project. Further, the bill defines "primary care provider" to mean, but not be limited to, a primary care professional medical practice, a federally qualified or community health center, and a primary care outpatient clinic operated by a general hospital.

The bill provides that the Director of the Division of Medical Assistance and Health Services, which administers the Medicaid program, shall evaluate the demonstration project annually to assess: (1) whether cost savings are achieved through implementation of the medical home project; (2) the rates of health screening; and (3) the outcomes and hospitalization rates for persons with chronic illnesses, and the hospitalization and readmission rates for the frail elderly.

The Commissioner of Human Services is directed to apply for such Medicaid State plan amendments or waivers as may be necessary to implement the provisions of the bill.

The commissioner shall report annually to the Governor, and to the Legislature on his findings and recommendations of the demonstration project.

The bill takes effect on the 180th day after enactment and expires three years after the effective date, but the Commissioner of Human Services is authorized to take such anticipatory administrative action in advance thereof as shall be necessary for the implementation of the bill.

As amended by committee, this bill is identical to Senate Bill No. 665 (1R), as also reported and amended by the committee on this date.

#### COMMITTEE AMENDMENTS:

The committee amendments clarify that the demonstration project shall be developed and implemented in consultation with the managed care organizations that contract with the Medicaid program to provide health care services to Medicaid recipients or with other appropriate vendors that contract with the Medicaid program to provide health care services to general public assistance recipients.

#### FISCAL IMPACT:

Initially, Medicaid expenditures related to establishing medical homes will increase as Medicaid reimbursement rates for participating primary care providers will be increased by some amount yet to be determined. This increase in Medicaid primary care provider expenditures may be offset in later years by reductions in other Medicaid health care expenditures, particularly inpatient and

outpatient hospital costs, as primary care providers would devote more time to patients and would be able to identify and treat medical problems before they result in more expensive inpatient or outpatient hospital services.

Whether overall Medicaid expenditures can be reduced as a result of establishing a medical home pilot project and providing greater reimbursement to primary care providers will be determined by the demonstration project.

# LEGISLATIVE FISCAL ESTIMATE

[Second Reprint]

## ASSEMBLY, No. 226

### STATE OF NEW JERSEY 214th LEGISLATURE

DATED: JUNE 16, 2010

#### SUMMARY

- Synopsis:** Directs Medicaid to establish medical home demonstration project.
- Type of Impact:** Possible increase in State and federal Medicaid or State General Public Assistance program costs, at least during the first year of the project.
- Agencies Affected:** Department of Human Services

	Years 1-3
<b>State Cost</b>	<p>With respect to the Medicaid program, no additional State costs in the aggregate, and it is possible that overall State Medicaid costs may be reduced if increased Medicaid reimbursement for primary health care is offset over the three-year demonstration period by reductions in other Medicaid health care expenditures.</p> <p>With respect to the General Public Assistance program, State expenditures would be reduced, if the federal government agrees to provide federal reimbursement for this program. At present, no federal reimbursement is available for General Public Assistance medical services.</p>

- Medicaid demonstration projects are intended to be cost neutral in terms of overall expenditures. It is not known whether the federal government will approve the State's demonstration project request.

#### BILL DESCRIPTION

Assembly Bill No. 226 (2R) of 2010 directs the State Medicaid program, subject to federal approval and the availability of federal matching funds, to establish a three-year Medicaid medical home demonstration project for Medicaid or General Public Assistance recipients in which Medicaid:

- considers payment methodologies that support care-coordination through multi-disciplinary teams;
- develops a system to support primary care providers in developing an organizational structure necessary to provide a medical home; and
- identifies primary care providers for participation in the demonstration project that provide care to their patients using a medical home model.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None received.

### ***OFFICE OF LEGISLATIVE SERVICES***

With respect to the Medicaid program, initially expenditures related to the provision of primary health care will increase as Medicaid reimbursement rates for primary health care services will be increased by some amount yet to be determined in order to facilitate the establishment of a medical home for Medicaid recipients. This increase in Medicaid primary health care expenditures may be offset in later years by reductions in other Medicaid health care expenditures, particularly inpatient and outpatient hospital costs, as primary health care physicians would devote more time to patients and would be able to identify and treat medical problems before they result in more expensive inpatient or outpatient hospital services.

With respect to the General Public Assistance program, although reimbursement rates for primary health care services will be increased by some amount yet to be determined in order to facilitate the establishment of a medical home for General Public Assistance recipients, overall State expenditures for the program will be reduced if the federal government agrees to provide reimbursement for the program. At present, no federal reimbursement is available for General Public Assistance medical services. The amount of the reduction in State General Public Assistance expenditures that will be attributable to the medical home demonstration project will be determined when the project is complete.

It is not known whether or when federal approval will be received for this project.

*Section: Human Services*

*Analyst: Eleanor Seel  
Section Chief*

*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, No. 665

## STATE OF NEW JERSEY 214th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2010 SESSION

**Sponsored by:**

**Senator BARBARA BUONO**

**District 18 (Middlesex)**

**Senator JOSEPH F. VITALE**

**District 19 (Middlesex)**

**Co-Sponsored by:**

**Senators Gordon, Weinberg, Ruiz and Stack**

**SYNOPSIS**

Directs Medicaid to establish medical home demonstration project.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel



1 AN ACT concerning the Medicaid program and supplementing  
2 P.L.1968, c.413 (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. The Division of Medical Assistance and Health Services in  
8 the Department of Human Services, subject to federal approval and  
9 the availability of federal financial participation under Title XIX of  
10 the Social Security Act, shall establish a three-year Medicaid  
11 medical home demonstration project as provided in this act. The  
12 demonstration project shall be developed in consultation and  
13 implemented with the managed care organizations that contract with  
14 the Medicaid program to provide health care services to Medicaid  
15 recipients.

16 The Medicaid program shall:

17 a. Restructure its payment system to support primary care  
18 providers that use a medical home model. The program shall  
19 consider payment methodologies that support care-coordination  
20 through multi-disciplinary teams, including payment for care of  
21 patients with chronic diseases and the elderly, and that encourage  
22 services such as: (1) patient or family education for patients with  
23 chronic diseases; (2) home-based services; (3) telephonic  
24 communication; (4) group care; and (5) culturally and linguistically  
25 appropriate care. In addition, the payment system shall be  
26 structured to reward quality and improved patient outcomes.

27 b. Develop a system to support primary care providers in  
28 developing an organizational structure necessary to provide a  
29 medical home.

30 c. Identify primary care providers for participation in the  
31 demonstration project that provide care to their patients using a  
32 medical home model, which at a minimum shall include primary  
33 care providers utilizing a multi-disciplinary team that provides  
34 patient-centered care coordination through the use of health  
35 information technology and chronic disease registries across the  
36 patient's life-span and across all domains of the health care system  
37 and the patient's community.

38 d. Nothing in this act shall be construed to limit the choice of a  
39 Medicaid recipient who is participating in a medical home  
40 demonstration project to directly access a qualified health care  
41 provider for family planning services who is not participating in the  
42 demonstration project.

43 e. As used in this act: "Medicaid" means the Medicaid  
44 program established pursuant to P.L.1968, c.413 (C.30:4D-1 et  
45 seq.); and

46 "Primary care provider" includes, but is not limited to, a primary  
47 care professional medical practice, a federally qualified or community



1 health center, and a primary care outpatient clinic operated by a  
2 general hospital.

3

4 2. The Director of the Division of Medical Assistance and  
5 Health Services shall evaluate the demonstration project annually to  
6 assess: whether cost savings are achieved through implementation  
7 of the medical home project; the rates of health screening; and the  
8 outcomes and hospitalization rates for persons with chronic  
9 illnesses, and the hospitalization and readmission rates for the frail  
10 elderly.

11

12 3. The Director of the Division of Medical Assistance and  
13 Health Services shall report annually to the Governor, and to the  
14 Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1),  
15 on his findings and recommendations of the demonstration project.

16

17 4. The Commissioner of Human Services shall, in accordance  
18 with the "Administrative Procedure Act," P.L.1968, c.410  
19 (C.52:14B-1 et seq.), adopt such rules and regulations as the  
20 commissioner deems necessary to carry out the provisions of this  
21 act.

22

23 5. This act shall take effect on the 180th day after enactment  
24 and shall expire three years after the effective date, but the  
25 Commissioner of Human Services may take such anticipatory  
26 administrative action in advance thereof as shall be necessary for  
27 the implementation of this act.

28

29

30

STATEMENT

31

32 This bill directs the State Medicaid program, subject to federal  
33 approval and the availability of federal financial participation under  
34 Title XIX of the Social Security Act, to establish a three-year  
35 Medicaid medical home demonstration project. The demonstration  
36 project shall be developed in consultation and implemented with the  
37 managed care organizations that contract with the Medicaid  
38 program to provide health care services to Medicaid recipients.

39 The Medicaid program shall:

- 40 • restructure its payment system to support primary care  
41 providers that use a medical home model. The program shall  
42 consider payment methodologies that support care-  
43 coordination through multi-disciplinary teams, including  
44 payment for care of patients with chronic diseases and the  
45 elderly, and that encourage services such as: (1) patient or  
46 family education for patients with chronic diseases; (2) home-  
47 based services; (3) telephonic communication; (4) group care;

- 1 and (5) culturally and linguistically appropriate care. In  
2 addition, the payment system shall be structured to reward  
3 quality and improved patient outcomes;
- 4 • develop a system to support primary care providers in  
5 developing an organizational structure necessary to provide a  
6 medical home; and
  - 7 • identify primary care providers for participation in the  
8 demonstration project that provide care to their patients using a  
9 medical home model, which at a minimum shall include  
10 primary care providers utilizing a multi-disciplinary team that  
11 provides patient-centered care coordination through the use of  
12 health information technology and chronic disease registries  
13 across the patient's life-span and across all domains of the  
14 health care system and the patient's community.

15 The bill specifies that its provisions shall not be construed to  
16 limit the choice of a Medicaid recipient who is participating in a  
17 medical home demonstration project to directly access a qualified  
18 health care provider for family planning services who is not  
19 participating in the demonstration project. Further, the bill defines  
20 "primary care provider" to mean, but not be limited to, a primary  
21 care professional medical practice, a federally qualified or  
22 community health center, and a primary care outpatient clinic  
23 operated by a general hospital.

24 The bill provides that the Director of the Division of Medical  
25 Assistance and Health Services, which administers the Medicaid  
26 program, shall evaluate the demonstration project annually to  
27 assess: (1) whether cost savings are achieved through  
28 implementation of the medical home project; (2) the rates of health  
29 screening; and (3) the outcomes and hospitalization rates for  
30 persons with chronic illnesses, and the hospitalization and  
31 readmission rates for the frail elderly.

32 The director shall report annually to the Governor, and to the  
33 Legislature on his findings and recommendations of the  
34 demonstration project.

35 The bill takes effect on the 180th day after enactment and expires  
36 three years after the effective date, but the Commissioner of Human  
37 Services is authorized to take such anticipatory administrative  
38 action in advance thereof as shall be necessary for the  
39 implementation of the bill.

SENATE HEALTH, HUMAN SERVICES AND SENIOR  
CITIZENS COMMITTEE

STATEMENT TO

**SENATE, No. 665**

with committee amendments

**STATE OF NEW JERSEY**

DATED: FEBRUARY 4, 2010

The Senate Health, Human Services and Senior Citizens Committee reports favorably and with amendments Senate Bill No. 665.

As amended by committee, this bill directs the State Medicaid program, subject to federal approval and the availability of federal financial participation under Title XIX of the Social Security Act, to establish a three-year Medicaid medical home demonstration project. The demonstration project shall be developed in consultation and implemented with the managed care organizations or other appropriate vendors that contract with the Medicaid program to provide health care services to Medicaid or general public assistance (GA) recipients. Subject to the availability of federal funds, the Medicaid program shall begin implementing the demonstration project no later than January 1, 2011.

The Medicaid program shall:

- consider payment methodologies that support care-coordination through multi-disciplinary teams, including payment for care of patients with chronic diseases and the elderly, and that encourage services such as: (1) patient or family education for patients with chronic diseases; (2) home-based services; (3) telephonic communication; (4) group care; (5) oral health examinations, when applicable; and (6) culturally and linguistically appropriate care. In addition, the payment system shall be structured to reward quality and improved patient outcomes;
- develop a system to support primary care providers in developing an organizational structure necessary to provide a medical home; and
- identify primary care providers for participation in the demonstration project that provide care to their patients using a medical home model, which at a minimum shall include primary care providers utilizing a multi-disciplinary team that provides patient-centered care coordination through the use of health information technology and chronic disease registries across the

patient's life-span and across all domains of the health care system and the patient's community.

The bill specifies that its provisions shall not be construed to limit the choice of a Medicaid or GA recipient who is participating in a medical home demonstration project to directly access a qualified health care provider for family planning services who is not participating in the demonstration project. Further, the bill defines "primary care provider" to mean, but not be limited to, a primary care professional medical practice, a federally qualified or community health center, and a primary care outpatient clinic operated by a general hospital.

The bill provides that the Director of the Division of Medical Assistance and Health Services, which administers the Medicaid program, shall evaluate the demonstration project annually to assess: (1) whether cost savings are achieved through implementation of the medical home project; (2) the rates of health screening; and (3) the outcomes and hospitalization rates for persons with chronic illnesses, and the hospitalization and readmission rates for the frail elderly.

The Commissioner of Human Services is directed to apply for such Medicaid State plan amendments or waivers as may be necessary to implement the provisions of the bill.

The commissioner shall report annually to the Governor, and to the Legislature on his findings and recommendations of the demonstration project.

The bill takes effect on the 180th day after enactment and expires three years after the effective date, but the Commissioner of Human Services is authorized to take such anticipatory administrative action in advance thereof as shall be necessary for the implementation of the bill.

The committee amended the bill to:

- include recipients of general public assistance, as well as Medicaid recipients as the bill originally provided;

- delete the requirement that the Medicaid program restructure its payment system to support primary care providers that use a medical home model;

- provide that in addition to the other services enumerated in the bill that should be encouraged through payment methodologies that support care-coordination, the program shall encourage oral health examinations, when applicable;

- specify that subject to the availability of federal matching funds, Medicaid shall begin implementing the demonstration project no later than January 1, 2011;

- provide explicitly that the Commissioner of Human Services shall apply for such Medicaid State plan amendments or waivers as may be necessary to implement the provisions of the bill; and

- provide that the commissioner, rather than the Director of the Division of Medical Assistance and Health Services, report to the

Governor and Legislature on the findings and recommendations of the demonstration project.

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.

# SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

[First Reprint]

## **SENATE, No. 665**

with committee amendments

# **STATE OF NEW JERSEY**

DATED: MAY 27, 2010

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 665 (1R), with committee amendments.

The bill, as amended, directs the State Medicaid program, subject to federal approval and the availability of federal financial participation under Title XIX of the Social Security Act, to establish a three-year Medicaid medical home demonstration project. The demonstration project shall be developed and implemented in consultation with the managed care organizations that contract with the Medicaid program to provide health care services to Medicaid recipients or with other appropriate vendors that contract with the Medicaid program to provide health care services to general public assistance recipients. Subject to the availability of federal funds, the Medicaid program shall begin implementing the demonstration project no later than January 1, 2011.

The Medicaid program shall:

- consider payment methodologies that support care-coordination through multi-disciplinary teams; , including payment for care of patients with chronic diseases and the elderly, and that encourage services such as: (1) patient or family education for patients with chronic diseases; (2) home-based services; (3) telephonic communication; (4) group care; (5) oral health examinations, when applicable; and (6) culturally and linguistically appropriate care. In addition, the payment system shall be structured to reward quality and improved patient outcomes;
- develop a system to support primary care providers in developing an organizational structure necessary to provide a medical home; and
- identify primary care providers for participation in the demonstration project that provide care to their patients using a medical home model, which at a minimum shall include primary care providers utilizing a multi-disciplinary team that provides patient-centered care coordination through the use of health information technology and chronic disease registries across the

patient's life-span and across all domains of the health care system and the patient's community.

The bill specifies that its provisions shall not be construed to limit the choice of a Medicaid or GA recipient who is participating in a medical home demonstration project to directly access a qualified health care provider for family planning services who is not participating in the demonstration project. Further, the bill defines "primary care provider" to mean, but not be limited to, a primary care professional medical practice, a federally qualified or community health center, and a primary care outpatient clinic operated by a general hospital.

The bill provides that the Director of the Division of Medical Assistance and Health Services, which administers the Medicaid program, shall evaluate the demonstration project annually to assess: (1) whether cost savings are achieved through implementation of the medical home project; (2) the rates of health screening; and (3) the outcomes and hospitalization rates for persons with chronic illnesses, and the hospitalization and readmission rates for the frail elderly.

The Commissioner of Human Services is directed to apply for such Medicaid State plan amendments or waivers as may be necessary to implement the provisions of the bill.

The commissioner shall report annually to the Governor, and to the Legislature on his findings and recommendations of the demonstration project.

The bill takes effect on the 180th day after enactment and expires three years after the effective date, but the Commissioner of Human Services is authorized to take such anticipatory administrative action in advance thereof as shall be necessary for the implementation of the bill.

As amended by committee, this bill is identical to Assembly Bill No.226 (1R) as also reported and amended by the committee on this date.

#### COMMITTEE AMENDMENTS:

The committee amendments clarify that the demonstration project shall be developed and implemented in consultation with the managed care organizations that contract with the Medicaid program to provide health care services to Medicaid recipients or with other appropriate vendors that contract with the Medicaid program to provide health care services to general public assistance recipients.

#### FISCAL IMPACT:

Initially, Medicaid expenditures related to establishing medical homes will increase as Medicaid reimbursement rates for participating primary care providers will be increased by some amount yet to be determined. This increase in Medicaid primary care provider expenditures may be offset in later years by reductions in other

Medicaid health care expenditures, particularly inpatient and outpatient hospital costs, as primary care providers would devote more time to patients and would be able to identify and treat medical problems before they result in more expensive inpatient or outpatient hospital services.

Whether overall Medicaid expenditures can be reduced as a result of establishing a medical home pilot project and providing greater reimbursement to primary care providers will be determined by the demonstration project.



# LEGISLATIVE FISCAL ESTIMATE

[Second Reprint]

## SENATE, No. 665

### STATE OF NEW JERSEY 214th LEGISLATURE

DATED: JUNE 15, 2010

#### SUMMARY

- Synopsis:** Directs Medicaid to establish medical home demonstration project.
- Type of Impact:** Possible increase in State and federal Medicaid or State General Public Assistance program costs, at least during the first year of the project.
- Agencies Affected:** Department of Human Services

	Years 1-3
<b>State Cost</b>	<p>With respect to the Medicaid program, no additional State costs in the aggregate, and it is possible that overall State Medicaid costs may be reduced if increased Medicaid reimbursement for primary health care is offset over the three-year demonstration period by reductions in other Medicaid health care expenditures.</p> <p>With respect to the General Public Assistance program, State expenditures would be reduced, if the federal government agrees to provide federal reimbursement for this program. At present, no federal reimbursement is available for General Public Assistance medical services.</p>

- Medicaid demonstration projects are intended to be cost neutral in terms of overall expenditures. It is not known whether the federal government will approve the State's demonstration project request.

#### BILL DESCRIPTION

Senate Bill No. 665 (2R) of 2010 directs the State Medicaid program, subject to federal approval and the availability of federal matching funds, to establish a three-year Medicaid medical home demonstration project for Medicaid or General Public Assistance recipients in which Medicaid:

- considers payment methodologies that support care-coordination through multi-disciplinary teams;

- develops a system to support primary care providers in developing an organizational structure necessary to provide a medical home; and
- identifies primary care providers for participation in the demonstration project that provide care to their patients using a medical home model.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None received.

### ***OFFICE OF LEGISLATIVE SERVICES***

With respect to the Medicaid program, initially expenditures related to the provision of primary health care will increase as Medicaid reimbursement rates for primary health care services will be increased by some amount yet to be determined in order to facilitate the establishment of a medical home for Medicaid recipients. This increase in Medicaid primary health care expenditures may be offset in later years by reductions in other Medicaid health care expenditures, particularly inpatient and outpatient hospital costs, as primary health care physicians would devote more time to patients and would be able to identify and treat medical problems before they result in more expensive inpatient or outpatient hospital services.

With respect to the General Public Assistance program, although reimbursement rates for primary health care services will be increased by some amount yet to be determined in order to facilitate the establishment of a medical home for General Public Assistance recipients, overall State expenditures for the program will be reduced if the federal government agrees to provide reimbursement for the program. At present, no federal reimbursement is available for General Public Assistance medical services. The amount of the reduction in State General Public Assistance expenditures that will be attributable to the medical home demonstration project will be determined when the project is complete.

It is not known whether or when federal approval will be received for this project.

*Section: Human Services*

*Analyst: Eleanor Seel  
Section Chief*

*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.).