

# 30:4D-3

## LEGISLATIVE HISTORY CHECKLIST

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**LAWS OF:** 2000                  **CHAPTER:** 116

**NJSA:** 30:4D-3                  (Disabled persons—Medicaid coverage)

**BILL NO:** A2606                  (Substituted for S1474)

**SPONSOR(S):** Murphy and Blee

**DATE INTRODUCED:** June 15, 2000

**COMMITTEE:**                  **ASSEMBLY:** Appropriations

**SENATE:** ----

**AMENDED DURING PASSAGE:**          Yes

**DATE OF PASSAGE:**                  **ASSEMBLY:** June 29, 2000

**SENATE:** June 29, 2000

**DATE OF APPROVAL:**                  September 11, 2000

### FOLLOWING ARE ATTACHED IF AVAILABLE:

**FINAL TEXT OF BILL** (First reprint enacted)  
(Amendments during passage denoted by superscript numbers)

#### **A2606**

**SPONSORS STATEMENT:** (Begins on page 9 of original bill)          Yes

**COMMITTEE STATEMENT:**                                  **ASSEMBLY:**          Yes

**SENATE:**    No

**FLOOR AMENDMENT STATEMENTS:**                                  No

**LEGISLATIVE FISCAL ESTIMATE:**                                  No

#### **S1474**

**SPONSORS STATEMENT:** (Begins on page 9 of original bill)          Yes  
Bill and Sponsors Statement identical to A2606

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

**SENATE:**    Yes  
Identical to Assembly statement to A2606

**FLOOR AMENDMENT STATEMENTS:**                                  No

**LEGISLATIVE FISCAL ESTIMATE:**                                  Yes

**VETO MESSAGE:**    No

**GOVERNOR'S PRESS RELEASE ON SIGNING:**                                  Yes

**FOLLOWING WERE PRINTED:**

To check for circulating copies, contact New Jersey State Government Publications at the State Library (609) 278-2640 ext.103 or <mailto:refdesk@njstatelib.org>

**REPORTS:** No

**HEARINGS:** No

**NEWSPAPER ARTICLES:** Yes

"Whitman signs bill to expand Medicaid program for disabled," 9-12-2000 The Record, p.A3

"Bill raises income limit for some Medicaid recipients," 9-12-2000 Home News, p.A4

"Disability benefits expanded," 9-12-2000 Asbury Park Press, p.A3

"State extends Medicaid to non-poor disabled," 9-12-2000 Star Ledger, p.50

# ASSEMBLY, No. 2606

## STATE OF NEW JERSEY 209th LEGISLATURE

INTRODUCED JUNE 15, 2000

**Sponsored by:**

**Assemblywoman CAROL J. MURPHY**

**District 26 (Essex, Morris and Passaic)**

**SYNOPSIS**

Permits certain disabled persons to purchase Medicaid coverage through federal "Ticket to Work and Work Incentives Improvement Act of 1999."

**CURRENT VERSION OF TEXT**

As introduced.



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2

1 AN ACT concerning eligibility to purchase Medicaid coverage and  
2 amending P.L.1968, c.413.

3

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

6

7 1. Section 3 of P.L.1968, c.413 (C.30:4D-3) is amended to read as  
8 follows:

9 3. Definitions. As used in this act, and unless the context  
10 otherwise requires:

11 a. "Applicant" means any person who has made application for  
12 purposes of becoming a "qualified applicant."

13 b. "Commissioner" means the Commissioner of Human Services.

14 c. "Department" means the Department of Human Services, which  
15 is herein designated as the single State agency to administer the  
16 provisions of this act.

17 d. "Director" means the Director of the Division of Medical  
18 Assistance and Health Services.

19 e. "Division" means the Division of Medical Assistance and Health  
20 Services.

21 f. "Medicaid" means the New Jersey Medical Assistance and Health  
22 Services Program.

23 g. "Medical assistance" means payments on behalf of recipients to  
24 providers for medical care and services authorized under this act.

25 h. "Provider" means any person, public or private institution,  
26 agency or business concern approved by the division lawfully  
27 providing medical care, services, goods and supplies authorized under  
28 this act, holding, where applicable, a current valid license to provide  
29 such services or to dispense such goods or supplies.

30 i. "Qualified applicant" means a person who is a resident of this  
31 State, and either a citizen of the United States or an eligible alien, and  
32 is determined to need medical care and services as provided under this  
33 act, and who:

34 (1) Is a dependent child or parent or caretaker relative of a  
35 dependent child and a recipient of benefits under the Work First New  
36 Jersey program established pursuant to P.L.1997, c.38 (C.44:10-55 et  
37 seq.) who would be, except for resources, eligible for the aid to  
38 families with dependent children program under the State Plan for  
39 Title IV-A of the federal Social Security Act as of July 16, 1996;

40 (2) Is a recipient of Supplemental Security Income for the Aged,  
41 Blind and Disabled under Title XVI of the Social Security Act;

42 (3) Is an "ineligible spouse" of a recipient of Supplemental Security  
43 Income for the Aged, Blind and Disabled under Title XVI of the Social

**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.**

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1 Security Act, as defined by the federal Social Security Administration;  
2 (4) Would be eligible to receive Supplemental Security Income  
3 under Title XVI of the federal Social Security Act or, using the  
4 resource standards of the Work First New Jersey program, would be  
5 eligible for the aid to families with dependent children program under  
6 the State Plan for Title IV-A of the federal Social Security Act as of  
7 July 16, 1996, except for failure to meet an eligibility condition or  
8 requirement imposed under such State program which is prohibited  
9 under Title XIX of the federal Social Security Act such as a durational  
10 residency requirement, relative responsibility, consent to imposition of  
11 a lien;

12 (5) Is a child between 18 and 21 years of age who, using the  
13 resource standards of the Work First New Jersey program, would be  
14 eligible for the aid to families with dependent children program under  
15 the State Plan for Title IV-A of the federal Social Security Act as of  
16 July 16, 1996, living in the family group except for lack of school  
17 attendance or pursuit of formalized vocational or technical training;

18 (6) Is an individual under 21 years of age who, using the resource  
19 standards of the Work First New Jersey program, would be, except for  
20 dependent child requirements, eligible for the aid to families with  
21 dependent children program under the State Plan for Title IV-A of the  
22 federal Social Security Act as of July 16, 1996, or groups of such  
23 individuals, including but not limited to, children in foster placement  
24 under supervision of the Division of Youth and Family Services whose  
25 maintenance is being paid in whole or in part from public funds,  
26 children placed in a foster home or institution by a private adoption  
27 agency in New Jersey or children in intermediate care facilities,  
28 including developmental centers for the developmentally disabled, or  
29 in psychiatric hospitals;

30 (7) Using the resource standards of the Work First New Jersey  
31 program, would be eligible for the aid to families with dependent  
32 children program under the State Plan for Title IV-A of the federal  
33 Social Security Act in effect as of July 16, 1996 or the Supplemental  
34 Security Income program, but is not receiving such assistance and  
35 applies for medical assistance only;

36 (8) Is determined to be medically needy and meets all the eligibility  
37 requirements described below:

38 (a) The following individuals are eligible for services, if they are  
39 determined to be medically needy:

40 (i) Pregnant women;

41 (ii) Dependent children under the age of 21;

42 (iii) Individuals who are 65 years of age and older; and

43 (iv) Individuals who are blind or disabled pursuant to either  
44 42 C.F.R.435.530 et seq. or 42 C.F.R.435.540 et seq., respectively.

45 (b) The following income standard shall be used to determine  
46 medically needy eligibility:

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1 (i) For one person and two person households, the income standard  
2 shall be the maximum allowable under federal law, but shall not exceed  
3 133 1/3% of the State's payment level to two person households under  
4 the aid to families with dependent children program under the State  
5 Plan for Title IV-A of the federal Social Security Act in effect as of  
6 July 16, 1996; and

7 (ii) For households of three or more persons, the income standard  
8 shall be set at 133 1/3% of the State's payment level to similar size  
9 households under the aid to families with dependent children program  
10 under the State Plan for Title IV-A of the federal Social Security Act  
11 in effect as of July 16, 1996.

12 (c) The following resource standard shall be used to determine  
13 medically needy eligibility:

14 (i) For one person households, the resource standard shall be 200%  
15 of the resource standard for recipients of Supplemental Security  
16 Income pursuant to 42 U.S.C.s.1382(1)(B);

17 (ii) For two person households, the resource standard shall be  
18 200% of the resource standard for recipients of Supplemental Security  
19 Income pursuant to 42 U.S.C.s.1382(2)(B);

20 (iii) For households of three or more persons, the resource  
21 standard in subparagraph (c)(ii) above shall be increased by \$100.00  
22 for each additional person; and

23 (iv) The resource standards established in (i), (ii), and (iii) are  
24 subject to federal approval and the resource standard may be lower if  
25 required by the federal Department of Health and Human Services.

26 (d) Individuals whose income exceeds those established in  
27 subparagraph (b) of paragraph (8) of this subsection may become  
28 medically needy by incurring medical expenses as defined in 42  
29 C.F.R.435.831(c) which will reduce their income to the applicable  
30 medically needy income established in subparagraph (b) of paragraph  
31 (8) of this subsection.

32 (e) A six-month period shall be used to determine whether an  
33 individual is medically needy.

34 (f) Eligibility determinations for the medically needy program shall  
35 be administered as follows:

36 (i) County welfare agencies and other entities designated by the  
37 commissioner are responsible for determining and certifying the  
38 eligibility of pregnant women and dependent children. The division  
39 shall reimburse county welfare agencies for 100% of the reasonable  
40 costs of administration which are not reimbursed by the federal  
41 government for the first 12 months of this program's operation.  
42 Thereafter, 75% of the administrative costs incurred by county welfare  
43 agencies which are not reimbursed by the federal government shall be  
44 reimbursed by the division;

45 (ii) The division is responsible for certifying the eligibility of  
46 individuals who are 65 years of age and older and individuals who are

1 blind or disabled. The division may enter into contracts with county  
2 welfare agencies to determine certain aspects of eligibility. In such  
3 instances the division shall provide county welfare agencies with all  
4 information the division may have available on the individual.

5 The division shall notify all eligible recipients of the Pharmaceutical  
6 Assistance to the Aged and Disabled program, P.L.1975, c.194  
7 (C.30:4D-20 et seq.) on an annual basis of the medically needy  
8 program and the program's general requirements. The division shall  
9 take all reasonable administrative actions to ensure that  
10 Pharmaceutical Assistance to the Aged and Disabled recipients, who  
11 notify the division that they may be eligible for the program, have their  
12 applications processed expeditiously, at times and locations convenient  
13 to the recipients; and

14 (iii) The division is responsible for certifying incurred medical  
15 expenses for all eligible persons who attempt to qualify for the  
16 program pursuant to subparagraph (d) of paragraph (8) of this  
17 subsection;

18 (9) (a) Is a child who is at least one year of age and under 19 years  
19 of age; and

20 (b) Is a member of a family whose income does not exceed 133%  
21 of the poverty level and who meets the federal Medicaid eligibility  
22 requirements set forth in section 9401 of Pub.L.99-509 (42 U.S.C.  
23 s.1396a);

24 (10) Is a pregnant woman who is determined by a provider to be  
25 presumptively eligible for medical assistance based on criteria  
26 established by the commissioner, pursuant to section 9407 of  
27 Pub.L.99-509 (42 U.S.C. s.1396a(a));

28 (11) Is an individual 65 years of age and older, or an individual  
29 who is blind or disabled pursuant to section 301 of Pub.L.92-603 (42  
30 U.S.C. s.1382c), whose income does not exceed 100% of the poverty  
31 level, adjusted for family size, and whose resources do not exceed  
32 100% of the resource standard used to determine medically needy  
33 eligibility pursuant to paragraph (8) of this subsection;

34 (12) Is a qualified disabled and working individual pursuant to  
35 section 6408 of Pub.L.101-239 (42 U.S.C. s.1396d) whose income  
36 does not exceed 200% of the poverty level and whose resources do  
37 not exceed 200% of the resource standard used to determine eligibility  
38 under the Supplemental Security Income Program, P.L.1973, c.256  
39 (C.44:7-85 et seq.);

40 (13) Is a pregnant woman or is a child who is under one year of  
41 age and is a member of a family whose income does not exceed 185%  
42 of the poverty level and who meets the federal Medicaid eligibility  
43 requirements set forth in section 9401 of Pub.L.99-509 (42 U.S.C.  
44 s.1396a), except that a pregnant woman who is determined to be a  
45 qualified applicant shall, notwithstanding any change in the income of  
46 the family of which she is a member, continue to be deemed a qualified

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1 applicant until the end of the 60-day period beginning on the last day  
2 of her pregnancy; [or]

3 (14) (Deleted by amendment, P.L.1997, c.272)[.] ;

4 (15) (a) Is a specified low-income Medicare beneficiary pursuant  
5 to 42 U.S.C. s.1396a(a)10(E)iii whose resources beginning January 1,  
6 1993 do not exceed 200% of the resource standard used to determine  
7 eligibility under the Supplemental Security Income program, P.L.1973,  
8 c.256 (C.44:7-85 et seq.) and whose income beginning January 1,  
9 1993 does not exceed 110% of the poverty level, and beginning  
10 January 1, 1995 does not exceed 120% of the poverty level.

11 (b) An individual who has, within 36 months, or within 60 months  
12 in the case of funds transferred into a trust, of applying to be a  
13 qualified applicant for Medicaid services in a nursing facility or a  
14 medical institution, or for home or community-based services under  
15 section 1915(c) of the federal Social Security Act (42 U.S.C.  
16 s.1396n(c)), disposed of resources or income for less than fair market  
17 value shall be ineligible for assistance for nursing facility services, an  
18 equivalent level of services in a medical institution, or home or  
19 community-based services under section 1915(c) of the federal Social  
20 Security Act (42 U.S.C. s.1396n(c)). The period of the ineligibility  
21 shall be the number of months resulting from dividing the  
22 uncompensated value of the transferred resources or income by the  
23 average monthly private payment rate for nursing facility services in  
24 the State as determined annually by the commissioner. In the case of  
25 multiple resource or income transfers, the resulting penalty periods  
26 shall be imposed sequentially. Application of this requirement shall be  
27 governed by 42 U.S.C. s.1396p(c). In accordance with federal law,  
28 this provision is effective for all transfers of resources or income made  
29 on or after August 11, 1993. Notwithstanding the provisions of this  
30 subsection to the contrary, the State eligibility requirements  
31 concerning resource or income transfers shall not be more restrictive  
32 than those enacted pursuant to 42 U.S.C. s.1396p(c).

33 (c) An individual seeking nursing facility services or home or  
34 community-based services and who has a community spouse shall be  
35 required to expend those resources which are not protected for the  
36 needs of the community spouse in accordance with section 1924(c) of  
37 the federal Social Security Act (42 U.S.C. s.1396r-5(c)) on the costs  
38 of long-term care, burial arrangements, and any other expense deemed  
39 appropriate and authorized by the commissioner. An individual shall  
40 be ineligible for Medicaid services in a nursing facility or for home or  
41 community-based services under section 1915(c) of the federal Social  
42 Security Act (42 U.S.C. s.1396n(c)) if the individual expends funds in  
43 violation of this subparagraph. The period of ineligibility shall be the  
44 number of months resulting from dividing the uncompensated value of  
45 transferred resources and income by the average monthly private  
46 payment rate for nursing facility services in the State as determined by



1 the commissioner. The period of ineligibility shall begin with the  
2 month that the individual would otherwise be eligible for Medicaid  
3 coverage for nursing facility services or home or community-based  
4 services.

5 This subparagraph shall be operative only if all necessary approvals  
6 are received from the federal government including, but not limited to,  
7 approval of necessary State plan amendments and approval of any  
8 waivers; or

9 (16) Is a person between the ages of 16 and 65 who is permanently  
10 disabled and working, and:

11 (a) whose income is at or below 250% of the poverty level, plus  
12 other established disregards; and

13 (b) who pays the premium contribution and other cost sharing as  
14 established by the commissioner, subject to the limits and conditions  
15 of federal law.

16 j. "Recipient" means any qualified applicant receiving benefits  
17 under this act.

18 k. "Resident" means a person who is living in the State voluntarily  
19 with the intention of making his home here and not for a temporary  
20 purpose. Temporary absences from the State, with subsequent returns  
21 to the State or intent to return when the purposes of the absences have  
22 been accomplished, do not interrupt continuity of residence.

23 l. "State Medicaid Commission" means the Governor, the  
24 Commissioner of Human Services, the President of the Senate and the  
25 Speaker of the General Assembly, hereby constituted a commission to  
26 approve and direct the means and method for the payment of claims  
27 pursuant to this act.

28 m. "Third party" means any person, institution, corporation,  
29 insurance company, group health plan as defined in section 607(1) of  
30 the federal "Employee Retirement and Income Security Act of 1974,"  
31 29 U.S.C. s.1167(1), service benefit plan, health maintenance  
32 organization, or other prepaid health plan, or public, private or  
33 governmental entity who is or may be liable in contract, tort, or  
34 otherwise by law or equity to pay all or part of the medical cost of  
35 injury, disease or disability of an applicant for or recipient of medical  
36 assistance payable under this act.

37 n. "Governmental peer grouping system" means a separate class of  
38 skilled nursing and intermediate care facilities administered by the  
39 State or county governments, established for the purpose of screening  
40 their reported costs and setting reimbursement rates under the  
41 Medicaid program that are reasonable and adequate to meet the costs  
42 that must be incurred by efficiently and economically operated State  
43 or county skilled nursing and intermediate care facilities.

44 o. "Comprehensive maternity or pediatric care provider" means any  
45 person or public or private health care facility that is a provider and  
46 that is approved by the commissioner to provide comprehensive

1 maternity care or comprehensive pediatric care as defined in  
2 subsection b. (18) and (19) of section 6 of P.L.1968, c.413  
3 (C.30:4D-6).

4 p. "Poverty level" means the official poverty level based on family  
5 size established and adjusted under Section 673(2) of Subtitle B, the  
6 "Community Services Block Grant Act," of Pub.L.97-35 (42 U.S.C.  
7 s.9902(2)).

8 q. "Eligible alien" means one of the following:

9 (1) an alien present in the United States prior to August 22, 1996,  
10 who is:

11 (a) a lawful permanent resident;

12 (b) a refugee pursuant to section 207 of the federal "Immigration  
13 and Nationality Act" (8 U.S.C. s.1157);

14 (c) an asylee pursuant to section 208 of the federal "Immigration  
15 and Nationality Act" (8 U.S.C. s.1158);

16 (d) an alien who has had deportation withheld pursuant to section  
17 243(h) of the federal "Immigration and Nationality Act" (8 U.S.C.  
18 s.1253 (h));

19 (e) an alien who has been granted parole for less than one year by  
20 the federal Immigration and Naturalization Service pursuant to section  
21 212(d)(5) of the federal "Immigration and Nationality Act" (8 U.S.C.  
22 s.1182(d)(5));

23 (f) an alien granted conditional entry pursuant to section 203(a)(7)  
24 of the federal "Immigration and Nationality Act" (8 U.S.C.  
25 s.1153(a)(7)) in effect prior to April 1, 1980; or

26 (g) an alien who is honorably discharged from or on active duty in  
27 the United States armed forces and the alien's spouse and unmarried  
28 dependent child.

29 (2) An alien who entered the United States on or after August 22,  
30 1996, who is:

31 (a) an alien as described in paragraph (1)(b), (c), (d) or (g) of this  
32 subsection; or

33 (b) an alien as described in paragraph (1)(a), (e) or (f) of this  
34 subsection who entered the United States at least five years ago.

35 (3) A legal alien who is a victim of domestic violence in  
36 accordance with criteria specified for eligibility for public benefits as  
37 provided in Title V of the federal "Illegal Immigration Reform and  
38 Immigrant Responsibility Act of 1996" (8 U.S.C. s.1641).

39 (cf: P.L.1997, c.352, s.1)

40

41 2. (New section) The Commissioner of Human Services shall  
42 adopt rules and regulations pursuant to the "Administrative Procedure  
43 Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to carry out the purposes  
44 of this act; except that, notwithstanding any provision of P.L.1968,  
45 c.410 to the contrary, the commissioner may adopt, immediately upon  
46 filing with the Office of Administrative Law, such regulations as the

1 commissioner deems necessary to implement the provisions of this act,  
2 which shall be effective for a period not to exceed six months and may  
3 thereafter be amended, adopted or readopted by the commissioner in  
4 accordance with the requirements of P.L.1968, c.410.

5  
6 3. This act shall take effect on the 30th day following enactment.

7  
8  
9 STATEMENT

10  
11 This bill expands Medicaid coverage to permit permanently disabled  
12 persons between the ages of 16 and 65 who are working and whose  
13 income is at or below 250% of the federal poverty level, plus other  
14 established disregards, to purchase Medicaid coverage from the State.  
15 The disabled person's cost for the coverage will be based on a sliding  
16 income scale established by regulation of the Commissioner of Human  
17 Services. This expansion is in accordance with the federal "Ticket to  
18 Work and Work Incentives Improvement Act of 1999," Pub. L.106-  
19 170.

20 The Medicaid coverage will be provided through existing Medicaid  
21 managed care contracts with health maintenance organizations in the  
22 State.

[First Reprint]

**ASSEMBLY, No. 2606**

**STATE OF NEW JERSEY**  
**209th LEGISLATURE**

INTRODUCED JUNE 15, 2000

**Sponsored by:**

**Assemblywoman CAROL J. MURPHY**

**District 26 (Essex, Morris and Passaic)**

**Assemblyman FRANCIS J. BLEE**

**District 2 (Atlantic)**

**Co-Sponsored by:**

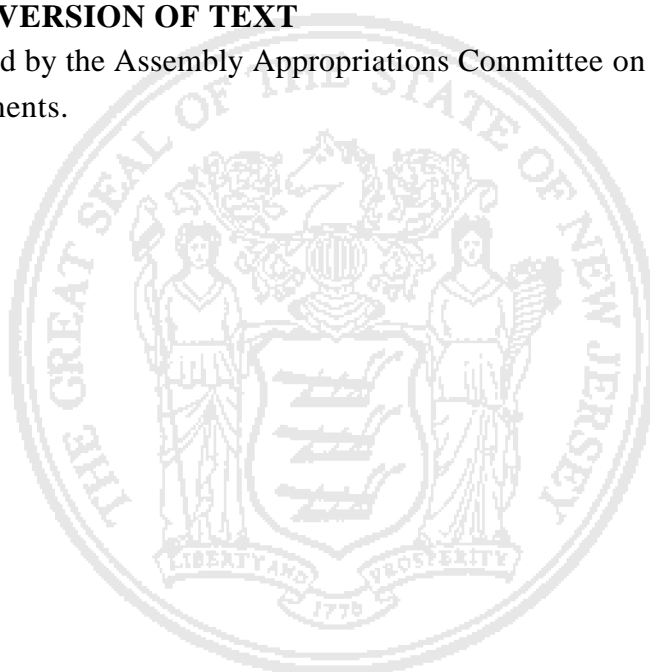
**Assemblyman Thompson, Senators Singer, Inverso and Allen**

**SYNOPSIS**

Permits certain disabled persons to purchase Medicaid coverage through federal "Ticket to Work and Work Incentives Improvement Act of 1999."

**CURRENT VERSION OF TEXT**

As reported by the Assembly Appropriations Committee on June 22, 2000, with amendments.



**(Sponsorship Updated As Of: 6/30/2000)**

1 AN ACT concerning eligibility to purchase Medicaid coverage and  
2 amending P.L.1968, c.413.

3  
4 **BE IT ENACTED** by the Senate and General Assembly of the State  
5 of New Jersey:

6  
7 1. Section 3 of P.L.1968, c.413 (C.30:4D-3) is amended to read as  
8 follows:

9 3. Definitions. As used in this act, and unless the context  
10 otherwise requires:

11 a. "Applicant" means any person who has made application for  
12 purposes of becoming a "qualified applicant."

13 b. "Commissioner" means the Commissioner of Human Services.

14 c. "Department" means the Department of Human Services, which  
15 is herein designated as the single State agency to administer the  
16 provisions of this act.

17 d. "Director" means the Director of the Division of Medical  
18 Assistance and Health Services.

19 e. "Division" means the Division of Medical Assistance and Health  
20 Services.

21 f. "Medicaid" means the New Jersey Medical Assistance and Health  
22 Services Program.

23 g. "Medical assistance" means payments on behalf of recipients to  
24 providers for medical care and services authorized under this act.

25 h. "Provider" means any person, public or private institution,  
26 agency or business concern approved by the division lawfully  
27 providing medical care, services, goods and supplies authorized under  
28 this act, holding, where applicable, a current valid license to provide  
29 such services or to dispense such goods or supplies.

30 i. "Qualified applicant" means a person who is a resident of this  
31 State, and either a citizen of the United States or an eligible alien, and  
32 is determined to need medical care and services as provided under this  
33 act, and who:

34 (1) Is a dependent child or parent or caretaker relative of a  
35 dependent child and a recipient of benefits under the Work First New  
36 Jersey program established pursuant to P.L.1997, c.38 (C.44:10-55 et  
37 seq.) who would be, except for resources, eligible for the aid to  
38 families with dependent children program under the State Plan for  
39 Title IV-A of the federal Social Security Act as of July 16, 1996;

40 (2) Is a recipient of Supplemental Security Income for the Aged,  
41 Blind and Disabled under Title XVI of the Social Security Act;

42 (3) Is an "ineligible spouse" of a recipient of Supplemental Security

**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 AAP committee amendments adopted June 22, 2000.

1 Income for the Aged, Blind and Disabled under Title XVI of the Social  
2 Security Act, as defined by the federal Social Security Administration;

3 (4) Would be eligible to receive Supplemental Security Income  
4 under Title XVI of the federal Social Security Act or, using the  
5 resource standards of the Work First New Jersey program, would be  
6 eligible for the aid to families with dependent children program under  
7 the State Plan for Title IV-A of the federal Social Security Act as of  
8 July 16, 1996, except for failure to meet an eligibility condition or  
9 requirement imposed under such State program which is prohibited  
10 under Title XIX of the federal Social Security Act such as a durational  
11 residency requirement, relative responsibility, consent to imposition of  
12 a lien;

13 (5) Is a child between 18 and 21 years of age who, using the  
14 resource standards of the Work First New Jersey program, would be  
15 eligible for the aid to families with dependent children program under  
16 the State Plan for Title IV-A of the federal Social Security Act as of  
17 July 16, 1996, living in the family group except for lack of school  
18 attendance or pursuit of formalized vocational or technical training;

19 (6) Is an individual under 21 years of age who, using the resource  
20 standards of the Work First New Jersey program, would be, except for  
21 dependent child requirements, eligible for the aid to families with  
22 dependent children program under the State Plan for Title IV-A of the  
23 federal Social Security Act as of July 16, 1996, or groups of such  
24 individuals, including but not limited to, children in foster placement  
25 under supervision of the Division of Youth and Family Services whose  
26 maintenance is being paid in whole or in part from public funds,  
27 children placed in a foster home or institution by a private adoption  
28 agency in New Jersey or children in intermediate care facilities,  
29 including developmental centers for the developmentally disabled, or  
30 in psychiatric hospitals;

31 (7) Using the resource standards of the Work First New Jersey  
32 program, would be eligible for the aid to families with dependent  
33 children program under the State Plan for Title IV-A of the federal  
34 Social Security Act in effect as of July 16, 1996 or the Supplemental  
35 Security Income program, but is not receiving such assistance and  
36 applies for medical assistance only;

37 (8) Is determined to be medically needy and meets all the eligibility  
38 requirements described below:

39 (a) The following individuals are eligible for services, if they are  
40 determined to be medically needy:

41 (i) Pregnant women;

42 (ii) Dependent children under the age of 21;

43 (iii) Individuals who are 65 years of age and older; and

44 (iv) Individuals who are blind or disabled pursuant to either  
45 42 C.F.R.435.530 et seq. or 42 C.F.R.435.540 et seq., respectively.

46 (b) The following income standard shall be used to determine

1 medically needy eligibility:

2 (i) For one person and two person households, the income standard  
3 shall be the maximum allowable under federal law, but shall not exceed  
4 133 1/3% of the State's payment level to two person households under  
5 the aid to families with dependent children program under the State  
6 Plan for Title IV-A of the federal Social Security Act in effect as of  
7 July 16, 1996; and

8 (ii) For households of three or more persons, the income standard  
9 shall be set at 133 1/3% of the State's payment level to similar size  
10 households under the aid to families with dependent children program  
11 under the State Plan for Title IV-A of the federal Social Security Act  
12 in effect as of July 16, 1996.

13 (c) The following resource standard shall be used to determine  
14 medically needy eligibility:

15 (i) For one person households, the resource standard shall be 200%  
16 of the resource standard for recipients of Supplemental Security  
17 Income pursuant to 42 U.S.C.s.1382(1)(B);

18 (ii) For two person households, the resource standard shall be  
19 200% of the resource standard for recipients of Supplemental Security  
20 Income pursuant to 42 U.S.C.s.1382(2)(B);

21 (iii) For households of three or more persons, the resource  
22 standard in subparagraph (c)(ii) above shall be increased by \$100.00  
23 for each additional person; and

24 (iv) The resource standards established in (i), (ii), and (iii) are  
25 subject to federal approval and the resource standard may be lower if  
26 required by the federal Department of Health and Human Services.

27 (d) Individuals whose income exceeds those established in  
28 subparagraph (b) of paragraph (8) of this subsection may become  
29 medically needy by incurring medical expenses as defined in  
30 42 C.F.R.435.831(c) which will reduce their income to the applicable  
31 medically needy income established in subparagraph (b) of paragraph  
32 (8) of this subsection.

33 (e) A six-month period shall be used to determine whether an  
34 individual is medically needy.

35 (f) Eligibility determinations for the medically needy program shall  
36 be administered as follows:

37 (i) County welfare agencies and other entities designated by the  
38 commissioner are responsible for determining and certifying the  
39 eligibility of pregnant women and dependent children. The division  
40 shall reimburse county welfare agencies for 100% of the reasonable  
41 costs of administration which are not reimbursed by the federal  
42 government for the first 12 months of this program's operation.  
43 Thereafter, 75% of the administrative costs incurred by county welfare  
44 agencies which are not reimbursed by the federal government shall be  
45 reimbursed by the division;

46 (ii) The division is responsible for certifying the eligibility of

1 individuals who are 65 years of age and older and individuals who are  
2 blind or disabled. The division may enter into contracts with county  
3 welfare agencies to determine certain aspects of eligibility. In such  
4 instances the division shall provide county welfare agencies with all  
5 information the division may have available on the individual.

6 The division shall notify all eligible recipients of the Pharmaceutical  
7 Assistance to the Aged and Disabled program, P.L.1975, c.194  
8 (C.30:4D-20 et seq.) on an annual basis of the medically needy  
9 program and the program's general requirements. The division shall  
10 take all reasonable administrative actions to ensure that  
11 Pharmaceutical Assistance to the Aged and Disabled recipients, who  
12 notify the division that they may be eligible for the program, have their  
13 applications processed expeditiously, at times and locations convenient  
14 to the recipients; and

15 (iii) The division is responsible for certifying incurred medical  
16 expenses for all eligible persons who attempt to qualify for the  
17 program pursuant to subparagraph (d) of paragraph (8) of this  
18 subsection;

19 (9) (a) Is a child who is at least one year of age and under 19 years  
20 of age; and

21 (b) Is a member of a family whose income does not exceed 133%  
22 of the poverty level and who meets the federal Medicaid eligibility  
23 requirements set forth in section 9401 of Pub.L.99-509 (42 U.S.C.  
24 s.1396a);

25 (10) Is a pregnant woman who is determined by a provider to be  
26 presumptively eligible for medical assistance based on criteria  
27 established by the commissioner, pursuant to section 9407 of  
28 Pub.L.99-509 (42 U.S.C. s.1396a(a));

29 (11) Is an individual 65 years of age and older, or an individual  
30 who is blind or disabled pursuant to section 301 of Pub.L.92-603 (42  
31 U.S.C. s.1382c), whose income does not exceed 100% of the poverty  
32 level, adjusted for family size, and whose resources do not exceed  
33 100% of the resource standard used to determine medically needy  
34 eligibility pursuant to paragraph (8) of this subsection;

35 (12) Is a qualified disabled and working individual pursuant to  
36 section 6408 of Pub.L.101-239 (42 U.S.C. s.1396d) whose income  
37 does not exceed 200% of the poverty level and whose resources do  
38 not exceed 200% of the resource standard used to determine eligibility  
39 under the Supplemental Security Income Program, P.L.1973, c.256  
40 (C.44:7-85 et seq.);

41 (13) Is a pregnant woman or is a child who is under one year of  
42 age and is a member of a family whose income does not exceed 185%  
43 of the poverty level and who meets the federal Medicaid eligibility  
44 requirements set forth in section 9401 of Pub.L.99-509 (42 U.S.C.  
45 s.1396a), except that a pregnant woman who is determined to be a  
46 qualified applicant shall, notwithstanding any change in the income of



1 the family of which she is a member, continue to be deemed a qualified  
2 applicant until the end of the 60-day period beginning on the last day  
3 of her pregnancy; [or]

4 (14) (Deleted by amendment, P.L.1997, c.272)[.];

5 (15) (a) Is a specified low-income Medicare beneficiary pursuant  
6 to 42 U.S.C. s.1396a(a)10(E)iii whose resources beginning January 1,  
7 1993 do not exceed 200% of the resource standard used to determine  
8 eligibility under the Supplemental Security Income program, P.L.1973,  
9 c.256 (C.44:7-85 et seq.) and whose income beginning January 1,  
10 1993 does not exceed 110% of the poverty level, and beginning  
11 January 1, 1995 does not exceed 120% of the poverty level.

12 (b) An individual who has, within 36 months, or within 60 months  
13 in the case of funds transferred into a trust, of applying to be a  
14 qualified applicant for Medicaid services in a nursing facility or a  
15 medical institution, or for home or community-based services under  
16 section 1915(c) of the federal Social Security Act (42 U.S.C.  
17 s.1396n(c)), disposed of resources or income for less than fair market  
18 value shall be ineligible for assistance for nursing facility services, an  
19 equivalent level of services in a medical institution, or home or  
20 community-based services under section 1915(c) of the federal Social  
21 Security Act (42 U.S.C. s.1396n(c)). The period of the ineligibility  
22 shall be the number of months resulting from dividing the  
23 uncompensated value of the transferred resources or income by the  
24 average monthly private payment rate for nursing facility services in  
25 the State as determined annually by the commissioner. In the case of  
26 multiple resource or income transfers, the resulting penalty periods  
27 shall be imposed sequentially. Application of this requirement shall be  
28 governed by 42 U.S.C. s.1396p(c). In accordance with federal law,  
29 this provision is effective for all transfers of resources or income made  
30 on or after August 11, 1993. Notwithstanding the provisions of this  
31 subsection to the contrary, the State eligibility requirements  
32 concerning resource or income transfers shall not be more restrictive  
33 than those enacted pursuant to 42 U.S.C. s.1396p(c).

34 (c) An individual seeking nursing facility services or home or  
35 community-based services and who has a community spouse shall be  
36 required to expend those resources which are not protected for the  
37 needs of the community spouse in accordance with section 1924(c) of  
38 the federal Social Security Act (42 U.S.C. s.1396r-5(c)) on the costs  
39 of long-term care, burial arrangements, and any other expense deemed  
40 appropriate and authorized by the commissioner. An individual shall  
41 be ineligible for Medicaid services in a nursing facility or for home or  
42 community-based services under section 1915(c) of the federal Social  
43 Security Act (42 U.S.C. s.1396n(c)) if the individual expends funds in  
44 violation of this subparagraph. The period of ineligibility shall be the  
45 number of months resulting from dividing the uncompensated value of  
46 transferred resources and income by the average monthly private

1 payment rate for nursing facility services in the State as determined by  
2 the commissioner. The period of ineligibility shall begin with the  
3 month that the individual would otherwise be eligible for Medicaid  
4 coverage for nursing facility services or home or community-based  
5 services.

6 This subparagraph shall be operative only if all necessary approvals  
7 are received from the federal government including, but not limited to,  
8 approval of necessary State plan amendments and approval of any  
9 waivers; or

10 (16) Is a person between the ages of 16 and 65 who is permanently  
11 disabled and working, and:

12 (a) whose income is at or below 250% of the poverty level, plus  
13 other established disregards; <sup>1</sup>[and]<sup>1</sup>

14 (b) who pays the premium contribution and other cost sharing as  
15 established by the commissioner, subject to the limits and conditions  
16 of federal law <sup>1</sup>; and

17 (c) whose assets, resources and unearned income do not exceed  
18 limitations as established by the commissioner<sup>1</sup>.

19 j. "Recipient" means any qualified applicant receiving benefits  
20 under this act.

21 k. "Resident" means a person who is living in the State voluntarily  
22 with the intention of making his home here and not for a temporary  
23 purpose. Temporary absences from the State, with subsequent returns  
24 to the State or intent to return when the purposes of the absences have  
25 been accomplished, do not interrupt continuity of residence.

26 l. "State Medicaid Commission" means the Governor, the  
27 Commissioner of Human Services, the President of the Senate and the  
28 Speaker of the General Assembly, hereby constituted a commission to  
29 approve and direct the means and method for the payment of claims  
30 pursuant to this act.

31 m. "Third party" means any person, institution, corporation,  
32 insurance company, group health plan as defined in section 607(1) of  
33 the federal "Employee Retirement and Income Security Act of 1974,"  
34 29 U.S.C. s.1167(1), service benefit plan, health maintenance  
35 organization, or other prepaid health plan, or public, private or  
36 governmental entity who is or may be liable in contract, tort, or  
37 otherwise by law or equity to pay all or part of the medical cost of  
38 injury, disease or disability of an applicant for or recipient of medical  
39 assistance payable under this act.

40 n. "Governmental peer grouping system" means a separate class of  
41 skilled nursing and intermediate care facilities administered by the  
42 State or county governments, established for the purpose of screening  
43 their reported costs and setting reimbursement rates under the  
44 Medicaid program that are reasonable and adequate to meet the costs  
45 that must be incurred by efficiently and economically operated State  
46 or county skilled nursing and intermediate care facilities.

1 o. "Comprehensive maternity or pediatric care provider" means any  
2 person or public or private health care facility that is a provider and  
3 that is approved by the commissioner to provide comprehensive  
4 maternity care or comprehensive pediatric care as defined in  
5 subsection b. (18) and (19) of section 6 of P.L.1968, c.413  
6 (C.30:4D-6).

7 p. "Poverty level" means the official poverty level based on family  
8 size established and adjusted under Section 673(2) of Subtitle B, the  
9 "Community Services Block Grant Act," of Pub.L.97-35 (42 U.S.C.  
10 s.9902(2)).

11 q. "Eligible alien" means one of the following:

12 (1) an alien present in the United States prior to August 22, 1996,  
13 who is:

14 (a) a lawful permanent resident;

15 (b) a refugee pursuant to section 207 of the federal "Immigration  
16 and Nationality Act" (8 U.S.C. s.1157);

17 (c) an asylee pursuant to section 208 of the federal "Immigration  
18 and Nationality Act" (8 U.S.C. s.1158);

19 (d) an alien who has had deportation withheld pursuant to section  
20 243(h) of the federal "Immigration and Nationality Act" (8 U.S.C.  
21 s.1253 (h));

22 (e) an alien who has been granted parole for less than one year by  
23 the federal Immigration and Naturalization Service pursuant to section  
24 212(d)(5) of the federal "Immigration and Nationality Act" (8 U.S.C.  
25 s.1182(d)(5));

26 (f) an alien granted conditional entry pursuant to section 203(a)(7)  
27 of the federal "Immigration and Nationality Act" (8 U.S.C.  
28 s.1153(a)(7)) in effect prior to April 1, 1980; or

29 (g) an alien who is honorably discharged from or on active duty in  
30 the United States armed forces and the alien's spouse and unmarried  
31 dependent child.

32 (2) An alien who entered the United States on or after August 22,  
33 1996, who is:

34 (a) an alien as described in paragraph (1)(b), (c), (d) or (g) of this  
35 subsection; or

36 (b) an alien as described in paragraph (1)(a), (e) or (f) of this  
37 subsection who entered the United States at least five years ago.

38 (3) A legal alien who is a victim of domestic violence in  
39 accordance with criteria specified for eligibility for public benefits as  
40 provided in Title V of the federal "Illegal Immigration Reform and  
41 Immigrant Responsibility Act of 1996" (8 U.S.C. s.1641).

42 (cf: P.L.1997, c.352, s.1)

43

44 2. (New section) The Commissioner of Human Services shall  
45 adopt rules and regulations pursuant to the "Administrative Procedure  
46 Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to carry out the purposes

1 of this act; except that, notwithstanding any provision of P.L.1968,  
2 c.410 to the contrary, the commissioner may adopt, immediately upon  
3 filing with the Office of Administrative Law, such regulations as the  
4 commissioner deems necessary to implement the provisions of this act,  
5 which shall be effective for a period not to exceed six months and may  
6 thereafter be amended, adopted or readopted by the commissioner in  
7 accordance with the requirements of P.L.1968, c.410.

8

9 3. This act shall take effect on the 30th day following enactment.

# ASSEMBLY APPROPRIATIONS COMMITTEE

## STATEMENT TO

### **ASSEMBLY, No. 2606**

with Assembly committee amendments

# **STATE OF NEW JERSEY**

DATED: JUNE 22, 2000

The Assembly Appropriations Committee reports favorably Assembly Bill No. 2606, with committee amendments.

Assembly Bill No. 2606, as amended, expands Medicaid coverage to permit permanently disabled persons between the ages of 16 and 65 who are working and whose income is at or below 250% of the federal poverty level, plus other established disregards, and whose assets, resources and unearned income do not exceed limitations as established by the commissioner, to purchase Medicaid coverage from the State. The disabled person's cost for the coverage will be based on a sliding income scale established by regulation of the Commissioner of Human Services. This expansion is in accordance with the federal "Ticket to Work and Work Incentives Improvement Act of 1999," Pub. L.106-170.

The Medicaid coverage will be provided through existing Medicaid managed care contracts with health maintenance organizations in the State.

#### FISCAL IMPACT:

The Governor's Recommended Budget Document for FY 2001 provides for \$1.5 million in State and federal funds to implement this program.

#### COMMITTEE AMENDMENTS:

The amendments specify that to be eligible for this expanded Medicaid coverage, the applicant's assets, resources and unearned income may not exceed limitations as established by the commissioner.

P.L. 2000, CHAPTER 116, *approved September 11, 2000*  
Assembly, No. 2606 (*First Reprint*)

1 AN ACT concerning eligibility to purchase Medicaid coverage and  
2 amending P.L.1968, c.413.

3

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

6

7 1. Section 3 of P.L.1968, c.413 (C.30:4D-3) is amended to read as  
8 follows:

9 3. Definitions. As used in this act, and unless the context  
10 otherwise requires:

11 a. "Applicant" means any person who has made application for  
12 purposes of becoming a "qualified applicant."

13 b. "Commissioner" means the Commissioner of Human Services.

14 c. "Department" means the Department of Human Services, which  
15 is herein designated as the single State agency to administer the  
16 provisions of this act.

17 d. "Director" means the Director of the Division of Medical  
18 Assistance and Health Services.

19 e. "Division" means the Division of Medical Assistance and Health  
20 Services.

21 f. "Medicaid" means the New Jersey Medical Assistance and Health  
22 Services Program.

23 g. "Medical assistance" means payments on behalf of recipients to  
24 providers for medical care and services authorized under this act.

25 h. "Provider" means any person, public or private institution,  
26 agency or business concern approved by the division lawfully  
27 providing medical care, services, goods and supplies authorized under  
28 this act, holding, where applicable, a current valid license to provide  
29 such services or to dispense such goods or supplies.

30 i. "Qualified applicant" means a person who is a resident of this  
31 State, and either a citizen of the United States or an eligible alien, and  
32 is determined to need medical care and services as provided under this  
33 act, and who:

34 (1) Is a dependent child or parent or caretaker relative of a  
35 dependent child and a recipient of benefits under the Work First New  
36 Jersey program established pursuant to P.L.1997, c.38 (C.44:10-55 et  
37 seq.) who would be, except for resources, eligible for the aid to  
38 families with dependent children program under the State Plan for

**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 AAP committee amendments adopted June 22, 2000.

- 1 Title IV-A of the federal Social Security Act as of July 16, 1996;
- 2 (2) Is a recipient of Supplemental Security Income for the Aged,  
3 Blind and Disabled under Title XVI of the Social Security Act;
- 4 (3) Is an "ineligible spouse" of a recipient of Supplemental Security  
5 Income for the Aged, Blind and Disabled under Title XVI of the Social  
6 Security Act, as defined by the federal Social Security Administration;
- 7 (4) Would be eligible to receive Supplemental Security Income  
8 under Title XVI of the federal Social Security Act or, using the  
9 resource standards of the Work First New Jersey program, would be  
10 eligible for the aid to families with dependent children program under  
11 the State Plan for Title IV-A of the federal Social Security Act as of  
12 July 16, 1996, except for failure to meet an eligibility condition or  
13 requirement imposed under such State program which is prohibited  
14 under Title XIX of the federal Social Security Act such as a durational  
15 residency requirement, relative responsibility, consent to imposition of  
16 a lien;
- 17 (5) Is a child between 18 and 21 years of age who, using the  
18 resource standards of the Work First New Jersey program, would be  
19 eligible for the aid to families with dependent children program under  
20 the State Plan for Title IV-A of the federal Social Security Act as of  
21 July 16, 1996, living in the family group except for lack of school  
22 attendance or pursuit of formalized vocational or technical training;
- 23 (6) Is an individual under 21 years of age who, using the resource  
24 standards of the Work First New Jersey program, would be, except for  
25 dependent child requirements, eligible for the aid to families with  
26 dependent children program under the State Plan for Title IV-A of the  
27 federal Social Security Act as of July 16, 1996, or groups of such  
28 individuals, including but not limited to, children in foster placement  
29 under supervision of the Division of Youth and Family Services whose  
30 maintenance is being paid in whole or in part from public funds,  
31 children placed in a foster home or institution by a private adoption  
32 agency in New Jersey or children in intermediate care facilities,  
33 including developmental centers for the developmentally disabled, or  
34 in psychiatric hospitals;
- 35 (7) Using the resource standards of the Work First New Jersey  
36 program, would be eligible for the aid to families with dependent  
37 children program under the State Plan for Title IV-A of the federal  
38 Social Security Act in effect as of July 16, 1996 or the Supplemental  
39 Security Income program, but is not receiving such assistance and  
40 applies for medical assistance only;
- 41 (8) Is determined to be medically needy and meets all the eligibility  
42 requirements described below:
- 43 (a) The following individuals are eligible for services, if they are  
44 determined to be medically needy:
- 45 (i) Pregnant women;
- 46 (ii) Dependent children under the age of 21;

- 1 (iii) Individuals who are 65 years of age and older; and
- 2 (iv) Individuals who are blind or disabled pursuant to either
- 3 42 C.F.R.435.530 et seq. or 42 C.F.R.435.540 et seq., respectively.
- 4 (b) The following income standard shall be used to determine
- 5 medically needy eligibility:
- 6 (i) For one person and two person households, the income standard
- 7 shall be the maximum allowable under federal law, but shall not exceed
- 8 133 1/3% of the State's payment level to two person households under
- 9 the aid to families with dependent children program under the State
- 10 Plan for Title IV-A of the federal Social Security Act in effect as of
- 11 July 16, 1996; and
- 12 (ii) For households of three or more persons, the income standard
- 13 shall be set at 133 1/3% of the State's payment level to similar size
- 14 households under the aid to families with dependent children program
- 15 under the State Plan for Title IV-A of the federal Social Security Act
- 16 in effect as of July 16, 1996.
- 17 (c) The following resource standard shall be used to determine
- 18 medically needy eligibility:
- 19 (i) For one person households, the resource standard shall be 200%
- 20 of the resource standard for recipients of Supplemental Security
- 21 Income pursuant to 42 U.S.C.s.1382(1)(B);
- 22 (ii) For two person households, the resource standard shall be
- 23 200% of the resource standard for recipients of Supplemental Security
- 24 Income pursuant to 42 U.S.C.s.1382(2)(B);
- 25 (iii) For households of three or more persons, the resource
- 26 standard in subparagraph (c)(ii) above shall be increased by \$100.00
- 27 for each additional person; and
- 28 (iv) The resource standards established in (i), (ii), and (iii) are
- 29 subject to federal approval and the resource standard may be lower if
- 30 required by the federal Department of Health and Human Services.
- 31 (d) Individuals whose income exceeds those established in
- 32 subparagraph (b) of paragraph (8) of this subsection may become
- 33 medically needy by incurring medical expenses as defined in
- 34 42 C.F.R.435.831(c) which will reduce their income to the applicable
- 35 medically needy income established in subparagraph (b) of paragraph
- 36 (8) of this subsection.
- 37 (e) A six-month period shall be used to determine whether an
- 38 individual is medically needy.
- 39 (f) Eligibility determinations for the medically needy program shall
- 40 be administered as follows:
- 41 (i) County welfare agencies and other entities designated by the
- 42 commissioner are responsible for determining and certifying the
- 43 eligibility of pregnant women and dependent children. The division
- 44 shall reimburse county welfare agencies for 100% of the reasonable
- 45 costs of administration which are not reimbursed by the federal
- 46 government for the first 12 months of this program's operation.



1 Thereafter, 75% of the administrative costs incurred by county welfare  
2 agencies which are not reimbursed by the federal government shall be  
3 reimbursed by the division;

4 (ii) The division is responsible for certifying the eligibility of  
5 individuals who are 65 years of age and older and individuals who are  
6 blind or disabled. The division may enter into contracts with county  
7 welfare agencies to determine certain aspects of eligibility. In such  
8 instances the division shall provide county welfare agencies with all  
9 information the division may have available on the individual.

10 The division shall notify all eligible recipients of the Pharmaceutical  
11 Assistance to the Aged and Disabled program, P.L.1975, c.194  
12 (C.30:4D-20 et seq.) on an annual basis of the medically needy  
13 program and the program's general requirements. The division shall  
14 take all reasonable administrative actions to ensure that  
15 Pharmaceutical Assistance to the Aged and Disabled recipients, who  
16 notify the division that they may be eligible for the program, have their  
17 applications processed expeditiously, at times and locations convenient  
18 to the recipients; and

19 (iii) The division is responsible for certifying incurred medical  
20 expenses for all eligible persons who attempt to qualify for the  
21 program pursuant to subparagraph (d) of paragraph (8) of this  
22 subsection;

23 (9) (a) Is a child who is at least one year of age and under 19 years  
24 of age; and

25 (b) Is a member of a family whose income does not exceed 133%  
26 of the poverty level and who meets the federal Medicaid eligibility  
27 requirements set forth in section 9401 of Pub.L.99-509 (42 U.S.C.  
28 s.1396a);

29 (10) Is a pregnant woman who is determined by a provider to be  
30 presumptively eligible for medical assistance based on criteria  
31 established by the commissioner, pursuant to section 9407 of  
32 Pub.L.99-509 (42 U.S.C. s.1396a(a));

33 (11) Is an individual 65 years of age and older, or an individual  
34 who is blind or disabled pursuant to section 301 of Pub.L.92-603 (42  
35 U.S.C. s.1382c), whose income does not exceed 100% of the poverty  
36 level, adjusted for family size, and whose resources do not exceed  
37 100% of the resource standard used to determine medically needy  
38 eligibility pursuant to paragraph (8) of this subsection;

39 (12) Is a qualified disabled and working individual pursuant to  
40 section 6408 of Pub.L.101-239 (42 U.S.C. s.1396d) whose income  
41 does not exceed 200% of the poverty level and whose resources do  
42 not exceed 200% of the resource standard used to determine eligibility  
43 under the Supplemental Security Income Program, P.L.1973, c.256  
44 (C.44:7-85 et seq.);

45 (13) Is a pregnant woman or is a child who is under one year of  
46 age and is a member of a family whose income does not exceed 185%

1 of the poverty level and who meets the federal Medicaid eligibility  
2 requirements set forth in section 9401 of Pub.L.99-509 (42 U.S.C.  
3 s.1396a), except that a pregnant woman who is determined to be a  
4 qualified applicant shall, notwithstanding any change in the income of  
5 the family of which she is a member, continue to be deemed a qualified  
6 applicant until the end of the 60-day period beginning on the last day  
7 of her pregnancy; [or]

8 (14) (Deleted by amendment, P.L.1997, c.272)[.];

9 (15) (a) Is a specified low-income Medicare beneficiary pursuant  
10 to 42 U.S.C. s.1396a(a)10(E)iii whose resources beginning January 1,  
11 1993 do not exceed 200% of the resource standard used to determine  
12 eligibility under the Supplemental Security Income program, P.L.1973,  
13 c.256 (C.44:7-85 et seq.) and whose income beginning January 1,  
14 1993 does not exceed 110% of the poverty level, and beginning  
15 January 1, 1995 does not exceed 120% of the poverty level.

16 (b) An individual who has, within 36 months, or within 60 months  
17 in the case of funds transferred into a trust, of applying to be a  
18 qualified applicant for Medicaid services in a nursing facility or a  
19 medical institution, or for home or community-based services under  
20 section 1915(c) of the federal Social Security Act (42 U.S.C.  
21 s.1396n(c)), disposed of resources or income for less than fair market  
22 value shall be ineligible for assistance for nursing facility services, an  
23 equivalent level of services in a medical institution, or home or  
24 community-based services under section 1915(c) of the federal Social  
25 Security Act (42 U.S.C. s.1396n(c)). The period of the ineligibility  
26 shall be the number of months resulting from dividing the  
27 uncompensated value of the transferred resources or income by the  
28 average monthly private payment rate for nursing facility services in  
29 the State as determined annually by the commissioner. In the case of  
30 multiple resource or income transfers, the resulting penalty periods  
31 shall be imposed sequentially. Application of this requirement shall be  
32 governed by 42 U.S.C. s.1396p(c). In accordance with federal law,  
33 this provision is effective for all transfers of resources or income made  
34 on or after August 11, 1993. Notwithstanding the provisions of this  
35 subsection to the contrary, the State eligibility requirements  
36 concerning resource or income transfers shall not be more restrictive  
37 than those enacted pursuant to 42 U.S.C. s.1396p(c).

38 (c) An individual seeking nursing facility services or home or  
39 community-based services and who has a community spouse shall be  
40 required to expend those resources which are not protected for the  
41 needs of the community spouse in accordance with section 1924(c) of  
42 the federal Social Security Act (42 U.S.C. s.1396r-5(c)) on the costs  
43 of long-term care, burial arrangements, and any other expense deemed  
44 appropriate and authorized by the commissioner. An individual shall  
45 be ineligible for Medicaid services in a nursing facility or for home or  
46 community-based services under section 1915(c) of the federal Social

1 Security Act (42 U.S.C. s.1396n(c)) if the individual expends funds in  
2 violation of this subparagraph. The period of ineligibility shall be the  
3 number of months resulting from dividing the uncompensated value of  
4 transferred resources and income by the average monthly private  
5 payment rate for nursing facility services in the State as determined by  
6 the commissioner. The period of ineligibility shall begin with the  
7 month that the individual would otherwise be eligible for Medicaid  
8 coverage for nursing facility services or home or community-based  
9 services.

10 This subparagraph shall be operative only if all necessary approvals  
11 are received from the federal government including, but not limited to,  
12 approval of necessary State plan amendments and approval of any  
13 waivers; or

14 (16) Is a person between the ages of 16 and 65 who is permanently  
15 disabled and working, and:

16 (a) whose income is at or below 250% of the poverty level, plus  
17 other established disregards; <sup>1</sup>[and] <sup>1</sup>

18 (b) who pays the premium contribution and other cost sharing as  
19 established by the commissioner, subject to the limits and conditions  
20 of federal law <sup>1</sup>; and

21 (c) whose assets, resources and unearned income do not exceed  
22 limitations as established by the commissioner<sup>1</sup>.

23 j. "Recipient" means any qualified applicant receiving benefits  
24 under this act.

25 k. "Resident" means a person who is living in the State voluntarily  
26 with the intention of making his home here and not for a temporary  
27 purpose. Temporary absences from the State, with subsequent returns  
28 to the State or intent to return when the purposes of the absences have  
29 been accomplished, do not interrupt continuity of residence.

30 l. "State Medicaid Commission" means the Governor, the  
31 Commissioner of Human Services, the President of the Senate and the  
32 Speaker of the General Assembly, hereby constituted a commission to  
33 approve and direct the means and method for the payment of claims  
34 pursuant to this act.

35 m. "Third party" means any person, institution, corporation,  
36 insurance company, group health plan as defined in section 607(1) of  
37 the federal "Employee Retirement and Income Security Act of 1974,"  
38 29 U.S.C. s.1167(1), service benefit plan, health maintenance  
39 organization, or other prepaid health plan, or public, private or  
40 governmental entity who is or may be liable in contract, tort, or  
41 otherwise by law or equity to pay all or part of the medical cost of  
42 injury, disease or disability of an applicant for or recipient of medical  
43 assistance payable under this act.

44 n. "Governmental peer grouping system" means a separate class of  
45 skilled nursing and intermediate care facilities administered by the  
46 State or county governments, established for the purpose of screening

1 their reported costs and setting reimbursement rates under the  
2 Medicaid program that are reasonable and adequate to meet the costs  
3 that must be incurred by efficiently and economically operated State  
4 or county skilled nursing and intermediate care facilities.

5 o. "Comprehensive maternity or pediatric care provider" means any  
6 person or public or private health care facility that is a provider and  
7 that is approved by the commissioner to provide comprehensive  
8 maternity care or comprehensive pediatric care as defined in  
9 subsection b. (18) and (19) of section 6 of P.L.1968, c.413  
10 (C.30:4D-6).

11 p. "Poverty level" means the official poverty level based on family  
12 size established and adjusted under Section 673(2) of Subtitle B, the  
13 "Community Services Block Grant Act," of Pub.L.97-35 (42 U.S.C.  
14 s.9902(2)).

15 q. "Eligible alien" means one of the following:

16 (1) an alien present in the United States prior to August 22, 1996,  
17 who is:

18 (a) a lawful permanent resident;

19 (b) a refugee pursuant to section 207 of the federal "Immigration  
20 and Nationality Act" (8 U.S.C. s.1157);

21 (c) an asylee pursuant to section 208 of the federal "Immigration  
22 and Nationality Act" (8 U.S.C. s.1158);

23 (d) an alien who has had deportation withheld pursuant to section  
24 243(h) of the federal "Immigration and Nationality Act" (8 U.S.C.  
25 s.1253 (h));

26 (e) an alien who has been granted parole for less than one year by  
27 the federal Immigration and Naturalization Service pursuant to section  
28 212(d)(5) of the federal "Immigration and Nationality Act" (8 U.S.C.  
29 s.1182(d)(5));

30 (f) an alien granted conditional entry pursuant to section 203(a)(7)  
31 of the federal "Immigration and Nationality Act" (8 U.S.C.  
32 s.1153(a)(7)) in effect prior to April 1, 1980; or

33 (g) an alien who is honorably discharged from or on active duty in  
34 the United States armed forces and the alien's spouse and unmarried  
35 dependent child.

36 (2) An alien who entered the United States on or after August 22,  
37 1996, who is:

38 (a) an alien as described in paragraph (1)(b), (c), (d) or (g) of this  
39 subsection; or

40 (b) an alien as described in paragraph (1)(a), (e) or (f) of this  
41 subsection who entered the United States at least five years ago.

42 (3) A legal alien who is a victim of domestic violence in  
43 accordance with criteria specified for eligibility for public benefits as  
44 provided in Title V of the federal "Illegal Immigration Reform and  
45 Immigrant Responsibility Act of 1996" (8 U.S.C. s.1641).

46 (cf: P.L.1997, c.352, s.1)

1       2. (New section) The Commissioner of Human Services shall  
2 adopt rules and regulations pursuant to the "Administrative Procedure  
3 Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to carry out the purposes  
4 of this act; except that, notwithstanding any provision of P.L.1968,  
5 c.410 to the contrary, the commissioner may adopt, immediately upon  
6 filing with the Office of Administrative Law, such regulations as the  
7 commissioner deems necessary to implement the provisions of this act,  
8 which shall be effective for a period not to exceed six months and may  
9 thereafter be amended, adopted or readopted by the commissioner in  
10 accordance with the requirements of P.L.1968, c.410.

11

12       3. This act shall take effect on the 30th day following enactment.

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17       \_\_\_\_\_

18 Permits certain disabled persons to purchase Medicaid coverage  
19 through federal "Ticket to Work and Work Incentives Improvement  
Act of 1999."

## CHAPTER 116

AN ACT concerning eligibility to purchase Medicaid coverage and amending P.L.1968, c.413.

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

1. Section 3 of P.L.1968, c.413 (C.30:4D-3) is amended to read as follows:

C.30:4D-3 Definitions.

3. Definitions. As used in this act, and unless the context otherwise requires:

a. "Applicant" means any person who has made application for purposes of becoming a "qualified applicant."

b. "Commissioner" means the Commissioner of Human Services.

c. "Department" means the Department of Human Services, which is herein designated as the single State agency to administer the provisions of this act.

d. "Director" means the Director of the Division of Medical Assistance and Health Services.

e. "Division" means the Division of Medical Assistance and Health Services.

f. "Medicaid" means the New Jersey Medical Assistance and Health Services Program.

g. "Medical assistance" means payments on behalf of recipients to providers for medical care and services authorized under this act.

h. "Provider" means any person, public or private institution, agency or business concern approved by the division lawfully providing medical care, services, goods and supplies authorized under this act, holding, where applicable, a current valid license to provide such services or to dispense such goods or supplies.

i. "Qualified applicant" means a person who is a resident of this State, and either a citizen of the United States or an eligible alien, and is determined to need medical care and services as provided under this act, and who:

(1) Is a dependent child or parent or caretaker relative of a dependent child who would be, except for resources, eligible for the aid to families with dependent children program under the State Plan for Title IV-A of the federal Social Security Act as of July 16, 1996;

(2) Is a recipient of Supplemental Security Income for the Aged, Blind and Disabled under Title XVI of the Social Security Act;

(3) Is an "ineligible spouse" of a recipient of Supplemental Security Income for the Aged, Blind and Disabled under Title XVI of the Social Security Act, as defined by the federal Social Security Administration;

(4) Would be eligible to receive Supplemental Security Income under Title XVI of the federal Social Security Act or, without regard to resources, would be eligible for the aid to families with dependent children program under the State Plan for Title IV-A of the federal Social Security Act as of July 16, 1996, except for failure to meet an eligibility condition or requirement imposed under such State program which is prohibited under Title XIX of the federal Social Security Act such as a durational residency requirement, relative responsibility, consent to imposition of a lien;

(5) (Deleted by amendment, P.L.2000, c.71).

(6) Is an individual under 21 years of age who, without regard to resources, would be, except for dependent child requirements, eligible for the aid to families with dependent children program under the State Plan for Title IV-A of the federal Social Security Act as of July 16, 1996, or groups of such individuals, including but not limited to, children in foster placement under supervision of the Division of Youth and Family Services whose maintenance is being paid in whole or in part from public funds, children placed in a foster home or institution by a private adoption agency in New Jersey or children in intermediate care facilities, including developmental centers for the developmentally disabled, or in psychiatric hospitals;

(7) Would be eligible for the Supplemental Security Income program, but is not receiving such assistance and applies for medical assistance only;

(8) Is determined to be medically needy and meets all the eligibility requirements described below:

(a) The following individuals are eligible for services, if they are determined to be medically needy:

(i) Pregnant women;

(ii) Dependent children under the age of 21;

(iii) Individuals who are 65 years of age and older; and  
(iv) Individuals who are blind or disabled pursuant to either 42 C.F.R.435.530 et seq. or 42 C.F.R.435.540 et seq., respectively.

(b) The following income standard shall be used to determine medically needy eligibility:

(i) For one person and two person households, the income standard shall be the maximum allowable under federal law, but shall not exceed 133 1/3% of the State's payment level to two person households under the aid to families with dependent children program under the State Plan for Title IV-A of the federal Social Security Act in effect as of July 16, 1996; and

(ii) For households of three or more persons, the income standard shall be set at 133 1/3% of the State's payment level to similar size households under the aid to families with dependent children program under the State Plan for Title IV-A of the federal Social Security Act in effect as of July 16, 1996.

(c) The following resource standard shall be used to determine medically needy eligibility:

(i) For one person households, the resource standard shall be 200% of the resource standard for recipients of Supplemental Security Income pursuant to 42 U.S.C.s.1382(1)(B);

(ii) For two person households, the resource standard shall be 200% of the resource standard for recipients of Supplemental Security Income pursuant to 42 U.S.C.s.1382(2)(B);

(iii) For households of three or more persons, the resource standard in subparagraph (c)(ii) above shall be increased by \$100.00 for each additional person; and

(iv) The resource standards established in (i), (ii), and (iii) are subject to federal approval and the resource standard may be lower if required by the federal Department of Health and Human Services.

(d) Individuals whose income exceeds those established in subparagraph (b) of paragraph (8) of this subsection may become medically needy by incurring medical expenses as defined in 42 C.F.R.435.831(c) which will reduce their income to the applicable medically needy income established in subparagraph (b) of paragraph (8) of this subsection.

(e) A six-month period shall be used to determine whether an individual is medically needy.

(f) Eligibility determinations for the medically needy program shall be administered as follows:

(i) County welfare agencies and other entities designated by the commissioner are responsible for determining and certifying the eligibility of pregnant women and dependent children. The division shall reimburse county welfare agencies for 100% of the reasonable costs of administration which are not reimbursed by the federal government for the first 12 months of this program's operation. Thereafter, 75% of the administrative costs incurred by county welfare agencies which are not reimbursed by the federal government shall be reimbursed by the division;

(ii) The division is responsible for certifying the eligibility of individuals who are 65 years of age and older and individuals who are blind or disabled. The division may enter into contracts with county welfare agencies to determine certain aspects of eligibility. In such instances the division shall provide county welfare agencies with all information the division may have available on the individual.

The division shall notify all eligible recipients of the Pharmaceutical Assistance to the Aged and Disabled program, P.L.1975, c.194 (C.30:4D-20 et seq.) on an annual basis of the medically needy program and the program's general requirements. The division shall take all reasonable administrative actions to ensure that Pharmaceutical Assistance to the Aged and Disabled recipients, who notify the division that they may be eligible for the program, have their applications processed expeditiously, at times and locations convenient to the recipients; and

(iii) The division is responsible for certifying incurred medical expenses for all eligible persons who attempt to qualify for the program pursuant to subparagraph (d) of paragraph (8) of this subsection;

(9) (a) Is a child who is at least one year of age and under 19 years of age and, if older than six years but under 19 years of age, is uninsured; and

(b) Is a member of a family whose income does not exceed 133% of the poverty level and who meets the federal Medicaid eligibility requirements set forth in section 9401 of Pub.L.99-509 (42 U.S.C. s.1396a);

(10) Is a pregnant woman who is determined by a provider to be presumptively eligible for

medical assistance based on criteria established by the commissioner, pursuant to section 9407 of Pub.L.99-509 (42 U.S.C. s.1396a(a));

(11) Is an individual 65 years of age and older, or an individual who is blind or disabled pursuant to section 301 of Pub.L.92-603 (42 U.S.C. s.1382c), whose income does not exceed 100% of the poverty level, adjusted for family size, and whose resources do not exceed 100% of the resource standard used to determine medically needy eligibility pursuant to paragraph (8) of this subsection;

(12) Is a qualified disabled and working individual pursuant to section 6408 of Pub.L.101-239 (42 U.S.C. s.1396d) whose income does not exceed 200% of the poverty level and whose resources do not exceed 200% of the resource standard used to determine eligibility under the Supplemental Security Income Program, P.L.1973, c.256 (C.44:7-85 et seq.);

(13) Is a pregnant woman or is a child who is under one year of age and is a member of a family whose income does not exceed 185% of the poverty level and who meets the federal Medicaid eligibility requirements set forth in section 9401 of Pub.L.99-509 (42 U.S.C. s.1396a), except that a pregnant woman who is determined to be a qualified applicant shall, notwithstanding any change in the income of the family of which she is a member, continue to be deemed a qualified applicant until the end of the 60-day period beginning on the last day of her pregnancy;

(14) (Deleted by amendment, P.L.1997, c.272).

(15) (a) Is a specified low-income Medicare beneficiary pursuant to 42 U.S.C. s.1396a(a)10(E)iii whose resources beginning January 1, 1993 do not exceed 200% of the resource standard used to determine eligibility under the Supplemental Security Income program, P.L.1973, c.256 (C.44:7-85 et seq.) and whose income beginning January 1, 1993 does not exceed 110% of the poverty level, and beginning January 1, 1995 does not exceed 120% of the poverty level.

(b) An individual who has, within 36 months, or within 60 months in the case of funds transferred into a trust, of applying to be a qualified applicant for Medicaid services in a nursing facility or a medical institution, or for home or community-based services under section 1915(c) of the federal Social Security Act (42 U.S.C. s.1396n(c)), disposed of resources or income for less than fair market value shall be ineligible for assistance for nursing facility services, an equivalent level of services in a medical institution, or home or community-based services under section 1915(c) of the federal Social Security Act (42 U.S.C. s.1396n(c)). The period of the ineligibility shall be the number of months resulting from dividing the uncompensated value of the transferred resources or income by the average monthly private payment rate for nursing facility services in the State as determined annually by the commissioner. In the case of multiple resource or income transfers, the resulting penalty periods shall be imposed sequentially. Application of this requirement shall be governed by 42 U.S.C. s.1396p(c). In accordance with federal law, this provision is effective for all transfers of resources or income made on or after August 11, 1993. Notwithstanding the provisions of this subsection to the contrary, the State eligibility requirements concerning resource or income transfers shall not be more restrictive than those enacted pursuant to 42 U.S.C. s.1396p(c).

(c) An individual seeking nursing facility services or home or community-based services and who has a community spouse shall be required to expend those resources which are not protected for the needs of the community spouse in accordance with section 1924(c) of the federal Social Security Act (42 U.S.C. s.1396r-5(c)) on the costs of long-term care, burial arrangements, and any other expense deemed appropriate and authorized by the commissioner. An individual shall be ineligible for Medicaid services in a nursing facility or for home or community-based services under section 1915(c) of the federal Social Security Act (42 U.S.C. s.1396n(c)) if the individual expends funds in violation of this subparagraph. The period of ineligibility shall be the number of months resulting from dividing the uncompensated value of transferred resources and income by the average monthly private payment rate for nursing facility services in the State as determined by the commissioner. The period of ineligibility shall begin with the month that the individual would otherwise be eligible for Medicaid coverage for nursing facility services or home or community-based services.

This subparagraph shall be operative only if all necessary approvals are received from the



federal government including, but not limited to, approval of necessary State plan amendments and approval of any waivers;

(16) Subject to federal approval under Title XIX of the federal Social Security Act, is a dependent child, parent or specified caretaker relative of a child who is a qualified applicant, who would be eligible, without regard to resources, for the aid to families with dependent children program under the State Plan for Title IV-A of the federal Social Security Act as of July 16, 1996, except for the income eligibility requirements of that program, and whose family earned income does not exceed 133% of the poverty level plus such earned income disregards as shall be determined according to a methodology to be established by regulation of the commissioner; or

(17) Is an individual from 18 through 20 years of age who is not a dependent child and would be eligible for medical assistance pursuant to P.L.1968, c.413 (C.30:4D-1 et seq.), without regard to income or resources, who, on the individual's 18th birthday was in foster care under the care and custody of the Division of Youth and Family Services and whose maintenance was being paid in whole or in part from public funds; or

(18) Is a person between the ages of 16 and 65 who is permanently disabled and working, and:

(a) whose income is at or below 250% of the poverty level, plus other established disregards;

(b) who pays the premium contribution and other cost sharing as established by the commissioner, subject to the limits and conditions of federal law; and

(c) whose assets, resources and unearned income do not exceed limitations as established by the commissioner

j. "Recipient" means any qualified applicant receiving benefits under this act.

k. "Resident" means a person who is living in the State voluntarily with the intention of making his home here and not for a temporary purpose. Temporary absences from the State, with subsequent returns to the State or intent to return when the purposes of the absences have been accomplished, do not interrupt continuity of residence.

l. "State Medicaid Commission" means the Governor, the Commissioner of Human Services, the President of the Senate and the Speaker of the General Assembly, hereby constituted a commission to approve and direct the means and method for the payment of claims pursuant to this act.

m. "Third party" means any person, institution, corporation, insurance company, group health plan as defined in section 607(1) of the federal "Employee Retirement and Income Security Act of 1974," 29 U.S.C. s.1167(1), service benefit plan, health maintenance organization, or other prepaid health plan, or public, private or governmental entity who is or may be liable in contract, tort, or otherwise by law or equity to pay all or part of the medical cost of injury, disease or disability of an applicant for or recipient of medical assistance payable under this act.

n. "Governmental peer grouping system" means a separate class of skilled nursing and intermediate care facilities administered by the State or county governments, established for the purpose of screening their reported costs and setting reimbursement rates under the Medicaid program that are reasonable and adequate to meet the costs that must be incurred by efficiently and economically operated State or county skilled nursing and intermediate care facilities.

o. "Comprehensive maternity or pediatric care provider" means any person or public or private health care facility that is a provider and that is approved by the commissioner to provide comprehensive maternity care or comprehensive pediatric care as defined in subsection b. (18) and (19) of section 6 of P.L.1968, c.413 (C.30:4D-6).

p. "Poverty level" means the official poverty level based on family size established and adjusted under Section 673(2) of Subtitle B, the "Community Services Block Grant Act," of Pub.L.97-35 (42 U.S.C. s.9902(2)).

q. "Eligible alien" means one of the following:

(1) an alien present in the United States prior to August 22, 1996, who is:

(a) a lawful permanent resident;

(b) a refugee pursuant to section 207 of the federal "Immigration and Nationality Act" (8 U.S.C. s.1157);

(c) an asylee pursuant to section 208 of the federal "Immigration and Nationality Act" (8 U.S.C. s.1158);

(d) an alien who has had deportation withheld pursuant to section 243(h) of the federal "Immigration and Nationality Act" (8 U.S.C. s.1253 (h));

(e) an alien who has been granted parole for less than one year by the federal Immigration and Naturalization Service pursuant to section 212(d)(5) of the federal "Immigration and Nationality Act" (8 U.S.C. s.1182(d)(5));

(f) an alien granted conditional entry pursuant to section 203(a)(7) of the federal "Immigration and Nationality Act" (8 U.S.C. s.1153(a)(7)) in effect prior to April 1, 1980; or

(g) an alien who is honorably discharged from or on active duty in the United States armed forces and the alien's spouse and unmarried dependent child.

(2) An alien who entered the United States on or after August 22, 1996, who is:

(a) an alien as described in paragraph (1)(b), (c), (d) or (g) of this subsection; or

(b) an alien as described in paragraph (1)(a), (e) or (f) of this subsection who entered the United States at least five years ago.

(3) A legal alien who is a victim of domestic violence in accordance with criteria specified for eligibility for public benefits as provided in Title V of the federal "Illegal Immigration Reform and Immigrant Responsibility Act of 1996" (8 U.S.C. s.1641).

2. The Commissioner of Human Services shall adopt rules and regulations pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to carry out the purposes of this act; except that, notwithstanding any provision of P.L.1968, c.410 to the contrary, the commissioner may adopt, immediately upon filing with the Office of Administrative Law, such regulations as the commissioner deems necessary to implement the provisions of this act, which shall be effective for a period not to exceed six months and may thereafter be amended, adopted or readopted by the commissioner in accordance with the requirements of P.L.1968, c.410.

3. This act shall take effect on the 30th day following enactment.

Approved September 11, 2000.

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*Office of the Governor*  
**NEWS RELEASE**

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RELEASE: September 11, 2000

**Whitman Signs Legislation Expanding Medicaid Eligibility for the Disabled**

Governor Christie Whitman today signed legislation that will enable low and moderate income people with disabilities to return to work or enter the workplace without fear of losing their Medicaid benefits.

A-2606, sponsored by Assembly Members Carol Murphy (R-Essex/Morris/ Passaic) and Francis Blee (R-Atlantic) and Senators Robert Singer (R-Burlington/Monmouth/Ocean) and Peter Inverso (R-Mercer/Middlesex), implements the federal "Ticket to Work" program which allows people with disabilities to earn up to 250 percent of the federal poverty level yet still retain Medicaid health coverage. Previously, people with disabilities lost Medicaid eligibility if their income exceeded 100 percent of the poverty level.

"For too long, many people with disabilities faced a Hobson's choice: forget about working or forget about health coverage," said Whitman. "Taking a job that pays above the federal poverty level has meant forfeiting Medicaid eligibility, and many have found it impossible to obtain private coverage."

"That's not right. As I said in my budget speech back in January, we shouldn't penalize someone who wants to work and take a step toward financial independence," the Governor continued.

**Two hundred and fifty percent of the federal poverty limit is an annual income of \$20,875 for an individual and \$28,125 for a couple, however some people with income levels greater than those may qualify.**

Under federal regulations, half of an individual's earnings are disregarded in the determination of eligibility for Ticket to Work, although all benefits an individual receives, such as Social Security income, are considered. So an individual with an annual income up to \$41,750 and a family of two up to \$56,250 could qualify if all income comes from salary. The cost of coverage will be determined on a sliding income scale established by the Commissioner of Human Services.

The budget proposal allocates \$750,000 in state funds -- plus \$750,000 in federal funds -- in Fiscal Year 2001. The funding is expected to double in Fiscal Year 2002.

Medicaid is a state and federally funded health care program that serves about 670,000 low-income, aged and disabled New Jersey residents.

