

26:2H-18.63

LEGISLATIVE HISTORY CHECKLIST

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LAWS OF: 2001 **CHAPTER:** 296
NJSA: 26:2H-18.63 (Hospital fees-payment arrangements)
BILL NO: A3344

SPONSOR(S): DiGaetano and Doria

DATE INTRODUCED: March 22, 2001

COMMITTEE: **ASSEMBLY:** Health
SENATE: Health

AMENDED DURING PASSAGE: No

DATE OF PASSAGE: **ASSEMBLY:** June 14, 2001
SENATE: December 17, 2001

DATE OF APPROVAL: December 31, 2001

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL (Original version of bill enacted)

A3344

SPONSORS STATEMENT: (Begins on page 3 of original bill) Yes

COMMITTEE STATEMENT: **ASSEMBLY:** Yes

SENATE: Yes

FLOOR AMENDMENT STATEMENTS: No

LEGISLATIVE FISCAL ESTIMATE: No

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: No

FOLLOWING WERE PRINTED:

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REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES: No

ASSEMBLY, No. 3344

STATE OF NEW JERSEY 209th LEGISLATURE

INTRODUCED MARCH 22, 2001

Sponsored by:

Assemblyman PAUL DIGAETANO

District 36 (Bergen, Essex and Passaic)

Assemblyman JOSEPH V. DORIA, JR.

District 31 (Hudson)

Co-Sponsored by:

Assemblymen Felice, Thompson and Assemblywoman Heck

SYNOPSIS

Permits hospital to make payment arrangements with certain patients as condition of providing services.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/15/2001)

1 AN ACT concerning persons seeking hospital care and amending
2 P.L.1992, c.160.

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

6
7 1. Section 13 of P.L.1992, c.160 (C.26:2H-18.63) is amended to
8 read as follows:

9 13. a. Any person or entity who makes a false statement or
10 misrepresentation of a material fact in order to qualify any person or
11 entity for any benefits to which he is not entitled under this act or
12 P.L.1996, c.28 (C.26:2H-18.59e et al.), shall be liable to civil penalties
13 of:

14 (1) payment of interest on the amount of the excess benefits or
15 subsidy payments at the maximum legal rate in effect on the date the
16 benefits were provided to the person or payment was made to the
17 person or entity, for the period from the date upon which benefits
18 were provided or payment was made to the date upon which
19 repayment is made to the department; and

20 (2) payment of an amount not to exceed three times the amount of
21 the excess benefit or subsidy payment.

22 b. A hospital which, without intent to violate this act, obtains a
23 subsidy payment in excess of the amount to which it is entitled, shall
24 be liable to a civil penalty of payment of interest on the amount of the
25 excess payment at the maximum legal rate in effect on the date the
26 payment was made to the hospital, from the date upon which payment
27 was made to the date upon which repayment is made to the
28 department, except that a hospital shall not be liable to the civil
29 penalty when an excess subsidy payment is obtained by the hospital as
30 a result of an error made by the department, as determined by the
31 commissioner.

32 c. All interest and civil penalties provided for in this section shall
33 be recovered in an administrative proceeding held pursuant to the
34 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
35 seq.).

36 d. In order to satisfy any recovery claim asserted against a hospital
37 under this section, whether or not that claim has been the subject of
38 final agency adjudication, the commissioner is authorized to withhold
39 subsidy payments otherwise payable under this act to the hospital.

40 e. A person who is seeking health care services at a hospital as a
41 patient for a non-emergency or elective procedure who does not
42 furnish proof of health insurance coverage for the services or eligibility
43 for charity care or reduced charge charity care in accordance with the

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.

1 provisions of section 10 of P.L.1992, c.160 (C.26:2H-18.60), or for
2 any other program of benefits funded by the State, shall be required to
3 provide sworn financial information sufficient to determine eligibility
4 for any such program of benefits. Notwithstanding any other
5 provision of law to the contrary, if the person does not provide the
6 required financial information or the hospital determines that the
7 person is ineligible for any of the aforementioned benefits, the hospital
8 shall be entitled to conclude an arrangement with the person, or an
9 individual acting on the person's behalf, to receive payment from or on
10 behalf of that person as a condition of the provision of health care
11 services to that person.

12 For the purposes of this subsection, "non-emergency or elective
13 procedure" means a procedure to treat a condition that is not an
14 "emergency" as defined in N.J.A.C.8:38-1.2.

15 (cf: P.1996, c.28, s.6)

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17 2. This act shall take effect immediately.

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STATEMENT

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22 This bill provides that a person who is seeking health care services
23 at a hospital as a patient for a non-emergency or elective procedure
24 who does not furnish proof of health insurance coverage for the
25 services or eligibility for charity care or reduced charge charity care in
26 accordance with N.J.S.A.26:2H-18.60, or for any other program of
27 benefits funded by the State, shall be required to provide sworn
28 financial information sufficient to determine eligibility for any such
29 program of benefits. Notwithstanding any other provision of law to
30 the contrary, if the person does not provide the required financial
31 information or the hospital determines that the person is ineligible for
32 any of the aforementioned benefits, the hospital shall be entitled to
33 conclude an arrangement with the person, or an individual acting on
34 the person's behalf, to receive payment from or on behalf of that
35 person as a condition of the provision of health care services to that
36 person.

37 For the purposes of this bill, "non-emergency or elective procedure"
38 means a procedure to treat a condition that is not an "emergency" as
39 defined in N.J.A.C.8:38-1.2.

ASSEMBLY HEALTH COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3344

STATE OF NEW JERSEY

DATED: MAY 17, 2001

The Assembly Health Committee reports favorably Assembly Bill No. 3344.

This bill provides that a person who is seeking health care services at a hospital as a patient for a non-emergency or elective procedure who does not furnish proof of health insurance coverage for the services or eligibility for charity care or reduced charge charity care in accordance with N.J.S.A.26:2H-18.60, or for any other program of benefits funded by the State, shall be required to provide sworn financial information sufficient to determine eligibility for any such program of benefits. Notwithstanding any other provision of law to the contrary, if the person does not provide the required financial information or the hospital determines that the person is ineligible for any of the aforementioned benefits, the hospital shall be entitled to conclude an arrangement with the person, or an individual acting on the person's behalf, to receive payment from or on behalf of that person as a condition of the provision of health care services to that person.

For the purposes of this bill, "non-emergency or elective procedure" means a procedure to treat a condition that is not an "emergency" as defined in N.J.A.C.8:38-1.2.

SENATE HEALTH COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3344

STATE OF NEW JERSEY

DATED: NOVEMBER 29, 2001

The Senate Health Committee reports favorably Assembly Bill No. 3344.

This bill provides that a person who is seeking health care services at a hospital as a patient for a non-emergency or elective procedure who does not furnish proof of health insurance coverage for the services or eligibility for charity care or reduced charge charity care in accordance with N.J.S.A.26:2H-18.60, or for any other program of benefits funded by the State, shall be required to provide sworn financial information sufficient to determine eligibility for any such program of benefits. The bill further provides that, notwithstanding any other provision of law to the contrary, if the person does not provide the required financial information or the hospital determines that the person is ineligible for any of the aforementioned benefits, the hospital is entitled to conclude an arrangement with the person, or an individual acting on the person's behalf, to receive payment from or on behalf of that person as a condition of the provision of health care services to that person.

For the purposes of this bill, "non-emergency or elective procedure" means a procedure to treat a condition that is not an "emergency" as defined in N.J.A.C.8:38-1.2.

P.L. 2001, CHAPTER 296, *approved December 31, 2001*

Assembly, No. 3344

1 **AN ACT** concerning persons seeking hospital care and amending
2 P.L.1992, c.160.

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

6
7 1. Section 13 of P.L.1992, c.160 (C.26:2H-18.63) is amended to
8 read as follows:

9 13. a. Any person or entity who makes a false statement or
10 misrepresentation of a material fact in order to qualify any person or
11 entity for any benefits to which he is not entitled under this act or
12 P.L.1996, c.28 (C.26:2H-18.59e et al.), shall be liable to civil penalties
13 of:

14 (1) payment of interest on the amount of the excess benefits or
15 subsidy payments at the maximum legal rate in effect on the date the
16 benefits were provided to the person or payment was made to the
17 person or entity, for the period from the date upon which benefits
18 were provided or payment was made to the date upon which
19 repayment is made to the department; and

20 (2) payment of an amount not to exceed three times the amount of
21 the excess benefit or subsidy payment.

22 b. A hospital which, without intent to violate this act, obtains a
23 subsidy payment in excess of the amount to which it is entitled, shall
24 be liable to a civil penalty of payment of interest on the amount of the
25 excess payment at the maximum legal rate in effect on the date the
26 payment was made to the hospital, from the date upon which payment
27 was made to the date upon which repayment is made to the
28 department, except that a hospital shall not be liable to the civil
29 penalty when an excess subsidy payment is obtained by the hospital as
30 a result of an error made by the department, as determined by the
31 commissioner.

32 c. All interest and civil penalties provided for in this section shall
33 be recovered in an administrative proceeding held pursuant to the
34 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
35 seq.).

36 d. In order to satisfy any recovery claim asserted against a hospital
37 under this section, whether or not that claim has been the subject of
38 final agency adjudication, the commissioner is authorized to withhold
39 subsidy payments otherwise payable under this act to the hospital.

40 e. A person who is seeking health care services at a hospital as a
41 patient for a non-emergency or elective procedure who does not

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.

1 furnish proof of health insurance coverage for the services or eligibility
2 for charity care or reduced charge charity care in accordance with the
3 provisions of section 10 of P.L.1992, c.160 (C.26:2H-18.60), or for
4 any other program of benefits funded by the State, shall be required to
5 provide sworn financial information sufficient to determine eligibility
6 for any such program of benefits. Notwithstanding any other
7 provision of law to the contrary, if the person does not provide the
8 required financial information or the hospital determines that the
9 person is ineligible for any of the aforementioned benefits, the hospital
10 shall be entitled to conclude an arrangement with the person, or an
11 individual acting on the person's behalf, to receive payment from or on
12 behalf of that person as a condition of the provision of health care
13 services to that person.

14 For the purposes of this subsection, "non-emergency or elective
15 procedure" means a procedure to treat a condition that is not an
16 "emergency" as defined in N.J.A.C.8:38-1.2.

17 (cf: P.1996, c.28, s.6)

18

19 2. This act shall take effect immediately.

20

21

22

STATEMENT

23

24 This bill provides that a person who is seeking health care services
25 at a hospital as a patient for a non-emergency or elective procedure
26 who does not furnish proof of health insurance coverage for the
27 services or eligibility for charity care or reduced charge charity care in
28 accordance with N.J.S.A.26:2H-18.60, or for any other program of
29 benefits funded by the State, shall be required to provide sworn
30 financial information sufficient to determine eligibility for any such
31 program of benefits. Notwithstanding any other provision of law to
32 the contrary, if the person does not provide the required financial
33 information or the hospital determines that the person is ineligible for
34 any of the aforementioned benefits, the hospital shall be entitled to
35 conclude an arrangement with the person, or an individual acting on
36 the person's behalf, to receive payment from or on behalf of that
37 person as a condition of the provision of health care services to that
38 person.

39 For the purposes of this bill, "non-emergency or elective procedure"
40 means a procedure to treat a condition that is not an "emergency" as
41 defined in N.J.A.C.8:38-1.2.

42

43

44

45 Permits hospital to make payment arrangements with certain patients
46 as condition of providing services.

CHAPTER 296

AN ACT concerning persons seeking hospital care and amending P.L.1992, c.160.

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

1. Section 13 of P.L.1992, c.160 (C.26:2H-18.63) is amended to read as follows:

C.26:2H-18.63 Civil penalties for false statement, misrepresentation.

13. a. Any person or entity who makes a false statement or misrepresentation of a material fact in order to qualify any person or entity for any benefits to which he is not entitled under this act or P.L.1996, c.28 (C.26:2H-18.59e et al.), shall be liable to civil penalties of:

(1) payment of interest on the amount of the excess benefits or subsidy payments at the maximum legal rate in effect on the date the benefits were provided to the person or payment was made to the person or entity, for the period from the date upon which benefits were provided or payment was made to the date upon which repayment is made to the department; and

(2) payment of an amount not to exceed three times the amount of the excess benefit or subsidy payment.

b. A hospital which, without intent to violate this act, obtains a subsidy payment in excess of the amount to which it is entitled, shall be liable to a civil penalty of payment of interest on the amount of the excess payment at the maximum legal rate in effect on the date the payment was made to the hospital, from the date upon which payment was made to the date upon which repayment is made to the department, except that a hospital shall not be liable to the civil penalty when an excess subsidy payment is obtained by the hospital as a result of an error made by the department, as determined by the commissioner.

c. All interest and civil penalties provided for in this section shall be recovered in an administrative proceeding held pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.).

d. In order to satisfy any recovery claim asserted against a hospital under this section, whether or not that claim has been the subject of final agency adjudication, the commissioner is authorized to withhold subsidy payments otherwise payable under this act to the hospital.

e. A person who is seeking health care services at a hospital as a patient for a non-emergency or elective procedure who does not furnish proof of health insurance coverage for the services or eligibility for charity care or reduced charge charity care in accordance with the provisions of section 10 of P.L.1992, c.160 (C.26:2H-18.60), or for any other program of benefits funded by the State, shall be required to provide sworn financial information sufficient to determine eligibility for any such program of benefits. Notwithstanding any other provision of law to the contrary, if the person does not provide the required financial information or the hospital determines that the person is ineligible for any of the aforementioned benefits, the hospital shall be entitled to conclude an arrangement with the person, or an individual acting on the person's behalf, to receive payment from or on behalf of that person as a condition of the provision of health care services to that person.

For the purposes of this subsection, "non-emergency or elective procedure" means a procedure to treat a condition that is not an "emergency" as defined in N.J.A.C.8:38-1.2.

2. This act shall take effect immediately.

Approved December 31, 2001.