

30:4D-3

LEGISLATIVE HISTORY CHECKLIST

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LAWS OF: 2001 **CHAPTER:** 122
NJSA: 30:4D-3 (Medicaid/NJKidCare - eligibility)
BILL NO: A2209 (Substituted for S1177)

SPONSOR(S): Murphy and Thompson

DATE INTRODUCED: March 16, 2000

COMMITTEE: **ASSEMBLY:** Health; Appropriations

SENATE: Budget

AMENDED DURING PASSAGE: No

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

SENATE: May 14, 2001

DATE OF APPROVAL: June 26, 2001

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL Original version of bill enacted

(Amendments during passage denoted by superscript numbers)

A2209

SPONSORS STATEMENT: (Begins on page 11 of original bill) Yes

(Health) **COMMITTEE STATEMENT:** **ASSEMBLY:** Yes 5-1-2000

6-8-2000 (Approp.)

SENATE: No

FLOOR AMENDMENT STATEMENTS: No

LEGISLATIVE FISCAL ESTIMATE: Yes

S1177

SPONSORS STATEMENT: (Begins on page 11 of original bill) Yes

Bill and Sponsors Statement identical to A2209

COMMITTEE STATEMENT: **ASSEMBLY:** No

SENATE: Yes 5/11/00 (Health)

Identical to Assembly Health Committee Statement for

A2209

11/9/00 (Budget)

FLOOR AMENDMENT STATEMENTS: No

LEGISLATIVE FISCAL ESTIMATE: No

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: Yes

FOLLOWING WERE PRINTED:

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ASSEMBLY, No. 2209

STATE OF NEW JERSEY 209th LEGISLATURE

INTRODUCED MARCH 16, 2000

Sponsored by:

Assemblywoman CAROL J. MURPHY

District 26 (Essex, Morris and Passaic)

Assemblyman SAMUEL D. THOMPSON

District 13 (Middlesex and Monmouth)

Co-Sponsored by:

**Assemblywoman Crecco, Assemblymen LeFevre, Gusciora, Senators
Sinagra, Vitale, Allen and Turner**

SYNOPSIS

Requires period for which eligibility for Medicaid and NJ KidCare are determined be maximum permitted under federal law.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 5/15/2001)

1 AN ACT concerning the determination of eligibility for benefits under
2 Medicaid and the Children's Health Care Coverage Program and
3 amending P.L.1968, c.413 and P.L.1997, c.272.

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

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

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

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

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

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

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

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

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

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

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

31 i. "Qualified applicant" means a person who is a resident of this
32 State, and either a citizen of the United States or an eligible alien, and
33 is determined to need medical care and services as provided under this
34 act, with respect to whom the period for which eligibility to be a
35 recipient is determined shall be the maximum period permitted under
36 federal law, and who:

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

43 (2) Is a recipient of Supplemental Security Income for the Aged,

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 Blind and Disabled under Title XVI of the Social Security Act;
- 2 (3) Is an "ineligible spouse" of a recipient of Supplemental Security
3 Income for the Aged, Blind and Disabled under Title XVI of the Social
4 Security Act, as defined by the federal Social Security Administration;
- 5 (4) Would be eligible to receive Supplemental Security Income
6 under Title XVI of the federal Social Security Act or, using the
7 resource standards of the Work First New Jersey program, would be
8 eligible for the aid to families with dependent children program under
9 the State Plan for Title IV-A of the federal Social Security Act as of
10 July 16, 1996, except for failure to meet an eligibility condition or
11 requirement imposed under such State program which is prohibited
12 under Title XIX of the federal Social Security Act such as a durational
13 residency requirement, relative responsibility, consent to imposition of
14 a lien;
- 15 (5) Is a child between 18 and 21 years of age who, using the
16 resource standards of the Work First New Jersey program, would be
17 eligible for the aid to families with dependent children program under
18 the State Plan for Title IV-A of the federal Social Security Act as of
19 July 16, 1996, living in the family group except for lack of school
20 attendance or pursuit of formalized vocational or technical training;
- 21 (6) Is an individual under 21 years of age who, using the resource
22 standards of the Work First New Jersey program, would be, except for
23 dependent child requirements, eligible for the aid to families with
24 dependent children program under the State Plan for Title IV-A of the
25 federal Social Security Act as of July 16, 1996, or groups of such
26 individuals, including but not limited to, children in foster placement
27 under supervision of the Division of Youth and Family Services whose
28 maintenance is being paid in whole or in part from public funds,
29 children placed in a foster home or institution by a private adoption
30 agency in New Jersey or children in intermediate care facilities,
31 including developmental centers for the developmentally disabled, or
32 in psychiatric hospitals;
- 33 (7) Using the resource standards of the Work First New Jersey
34 program, would be eligible for the aid to families with dependent
35 children program under the State Plan for Title IV-A of the federal
36 Social Security Act in effect as of July 16, 1996 or the Supplemental
37 Security Income program, but is not receiving such assistance and
38 applies for medical assistance only;
- 39 (8) Is determined to be medically needy and meets all the eligibility
40 requirements described below:
- 41 (a) The following individuals are eligible for services, if they are
42 determined to be medically needy:
- 43 (i) Pregnant women;
- 44 (ii) Dependent children under the age of 21;
- 45 (iii) Individuals who are 65 years of age and older; and
- 46 (iv) Individuals who are blind or disabled pursuant to either 42

1 C.F.R.435.530 et seq. or 42 C.F.R.435.540 et seq., respectively.

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

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

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

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

17 (i) For one 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(1)(B);

20 (ii) For two person households, the resource standard shall be
21 200% of the resource standard for recipients of Supplemental Security
22 Income pursuant to 42 U.S.C.s.1382(2)(B);

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

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

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

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

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

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

1 reimbursed by the division;

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

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

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

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

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

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

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

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

43 (13) Is a pregnant woman or is a child who is under one year of
44 age and is a member of a family whose income does not exceed 185%
45 of the poverty level and who meets the federal Medicaid eligibility

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

7 (14) (Deleted by amendment, P.L.1997, c.272)[.] or

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

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

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

1 violation of this subparagraph. The period of ineligibility shall be the
2 number of months resulting from dividing the uncompensated value of
3 transferred resources and income by the average monthly private
4 payment rate for nursing facility services in the State as determined by
5 the commissioner. The period of ineligibility shall begin with the
6 month that the individual would otherwise be eligible for Medicaid
7 coverage for nursing facility services or home or community-based
8 services.

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

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

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

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

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

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

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

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

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

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

8 (a) a lawful permanent resident;

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

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

13 (d) an alien who has had deportation withheld pursuant to section
14 243(h) of the federal "Immigration and Nationality Act" (8 U.S.C.
15 s.1253 (h));

16 (e) an alien who has been granted parole for less than one year by
17 the federal Immigration and Naturalization Service pursuant to section
18 212(d)(5) of the federal "Immigration and Nationality Act" (8 U.S.C.
19 s.1182(d)(5));

20 (f) an alien granted conditional entry pursuant to section 203(a)(7)
21 of the federal "Immigration and Nationality Act"
22 (8 U.S.C. s.1153(a)(7)) in effect prior to April 1, 1980; or

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

26 (2) An alien who entered the United States on or after August 22,
27 1996, who is:

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

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

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

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

37
38 2. Section 4 of P.L.1997, c.272 (C.30:4I-4) is amended to read as
39 follows:

40 4. a. The Children's Health Care Coverage Program is established
41 in the Department of Human Services. The purpose of the program
42 shall be to provide subsidized private health insurance coverage, and
43 other health care benefits as determined by the commissioner, to
44 children from birth through 18 years of age within the limits of funds
45 appropriated or otherwise made available for the program. The
46 program shall require copayments and a premium contribution from

1 families with incomes which exceed 150% of the official poverty level,
2 which shall be based upon a sliding income scale. The program shall
3 include the provision of well-child and other preventive services,
4 hospitalization, physician care, laboratory and x-ray services,
5 prescription drugs, mental health services, and other services as
6 determined by the commissioner.

7 b. The commissioner, in consultation with the Commissioner of
8 Health and Senior Services, shall take such actions as are necessary to
9 implement and operate the program in accordance with the provisions
10 governing the State Children's Health Insurance Program in Title XXI
11 of the federal Social Security Act, as provided in Subtitle J of Title IV
12 of the federal "Balanced Budget Act of 1997," Pub.L.105-33.

13 c. The commissioner shall by regulation establish standards for
14 determining eligibility and other requirements for the program,
15 including, but not limited to, premium payments and copayments, and
16 may contract with one or more appropriate entities to assist in
17 administering the program. The period for which eligibility for the
18 program is determined shall be the maximum period permitted under
19 federal law. The commissioner shall take, or cause to be taken, any
20 action necessary to secure for the State the maximum amount of
21 federal financial participation available with respect to the program,
22 subject to the constraints of fiscal responsibility and within the limits
23 of available funding in any fiscal year.

24 d. Subject to federal approval, a child with a family gross income
25 that does not exceed 200% of the official poverty level shall not be
26 determined ineligible for the program solely because the child was
27 previously covered under an individual health benefits plan during any
28 period preceding application to the program if the child was not
29 voluntarily disenrolled from employer-sponsored group insurance
30 coverage during the six-month period prior to application to the
31 program.

32 e. The commissioner, in consultation with the Commissioner of
33 Health and Senior Services, shall provide by regulation for
34 presumptive eligibility for the program in accordance with the
35 following provisions:

36 (1) A child who presents himself for treatment at an acute care
37 hospital or a federally qualified health center or local health
38 department that provides primary care shall be deemed presumptively
39 eligible for the program if a preliminary determination by hospital,
40 health center or local health department staff indicates that the child
41 meets program eligibility standards established by regulation of the
42 commissioner and is a member of a household with an income which
43 does not exceed 200% of the official poverty level;

44 (2) The provisions of paragraph (1) of this subsection shall also
45 apply to a child who is presumed eligible for Medicaid coverage
46 pursuant to P.L.1968, c.413 (C.30:4D-1 et seq.);

1 (3) If a child is determined to be presumptively eligible for the
2 program, the child's parent, guardian or caretaker relative shall be
3 required to submit a completed application for the program no later
4 than the end of the month following the month in which presumptive
5 eligibility is determined; and

6 (4) During the period in which the child is presumptively eligible
7 for the program, the child shall be eligible to receive all services
8 covered by the program.

9 f. The commissioner, in consultation with the Commissioner of
10 Education and the Commissioner of Health and Senior Services, shall
11 establish a partnership initiative between the program and public
12 elementary and secondary schools, licensed child care centers,
13 registered family day care homes, and unified child care agencies in
14 this State, federally qualified health centers and local health
15 departments that provide primary care to provide outreach to children
16 throughout the State who are potentially eligible for the program.
17 Under this partnership, the commissioner shall arrange for:

18 (1) the provision by the department to each public elementary and
19 secondary school, licensed child care center, registered family day care
20 home, and unified child care agency in the State, federally qualified
21 health center and local health department that provides primary care
22 of informational materials about the program, including the potential
23 costs and benefits for a participating household, as well as program
24 application forms and postage-paid envelopes to submit completed
25 applications to the department, which the school, child care center,
26 registered family day care home, unified child care agency, health
27 center or local health department, as applicable, shall make available
28 to persons wishing to apply for the program;

29 (2) the provision to each public elementary and secondary school,
30 licensed child care center, registered family day care home, and unified
31 child care agency in the State, federally qualified health center and
32 local health department that provides primary care of a notice to be
33 distributed at least annually to the households of children attending the
34 school or child care center, or being cared for by the registered family
35 day care home, or assisted by the unified child care agency or
36 receiving health care services from the health center or local health
37 department, as applicable, informing them about the availability of the
38 informational materials, application forms and postage-paid envelopes
39 provided by the department pursuant to paragraph (1) of this
40 subsection, with respect to which distribution the department shall
41 reimburse the school or child care center, or registered family day care
42 home, or unified child care agency or health center or local health
43 department for the costs thereof in accordance with procedures
44 established by the commissioner; and

45 (3) a payment to be made by the department in the amount of \$25
46 to a school, child care center, registered family day care home, unified

1 child care agency, federally qualified health center or local health
2 department that provides primary care for each household enrolled in
3 the program which was referred by that respective entity, and to which
4 household the entity has provided assistance with enrollment in the
5 program. The payment shall be made upon the determination of
6 eligibility for the program by the department with respect to that
7 household, including the receipt of any initial premium contribution
8 from the household as required by the commissioner pursuant to this
9 section.

10 g. Subject to federal approval, the commissioner shall by
11 regulation establish that in determining income eligibility for the
12 program, any gross family income above 200% of the official poverty
13 level, up to a maximum of 350% of the official poverty level, shall be
14 disregarded.

15 (cf: P.L.1999, c.172, s.1)

16

17 3. This act shall take effect immediately.

18

19

20

STATEMENT

21

22 This bill amends the Medicaid statute (N.J.S.A.30:4D-1 et seq.) and
23 the statute governing the Children's Health Care Coverage Program,
24 known as NJ KidCare (N.J.S.A.30:4I-1 et seq.), to provide that the
25 period for which eligibility for benefits under both programs is
26 determined shall be the maximum permitted under federal law (i.e.,
27 currently 12 months).

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2209

STATE OF NEW JERSEY

DATED: JUNE 8, 2000

The Assembly Appropriations Committee reports favorably Assembly Bill No. 2209.

Assembly Bill No. 2209 amends the Medicaid statute (N.J.S.A.30:4D-1 et seq.) and the statute governing the Children's Health Care Coverage Program, known as NJ KidCare (N.J.S.A.30:4I-1 et seq.), to provide that the period for which eligibility for benefits under both programs is determined (currently 6 months) shall be the maximum permitted under federal law (currently 12 months).

FISCAL IMPACT:

The bill, by increasing the period of eligibility, increases the possibility that some children would remain eligible for as much as six months after their family income/resources increased to a point that disqualified them from program coverage. Information provided by the Executive Branch estimates the total cost of such coverage at approximately \$15.7 million annually, of which less than half, or \$7.65 million, is the State share of State/federal matches.

It is likely that some children disqualified from Medicaid coverage would remain qualified for some benefits under NJ Kidcare, at a continuing cost, and that some children disqualified from Medicare and NJ Kidcare would be the recipients of hospital emergency award treatment "uncompensated care", at a continuing cost. The *net* coverage expenditures of extending the eligibility period under bill are not known. Administrative cost savings resulting from cutting the number of eligibility reviews by half are also not known.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2209

STATE OF NEW JERSEY

DATED: NOVEMBER 9, 2000

The Senate Budget and Appropriations Committee reports favorably Assembly Bill No. 2209.

This bill extends the period of time for which eligibility for Medicaid and NJ KidCare is determined. The bill amends New Jersey's Medicaid statute (N.J.S.A.30:4D-1 et seq.) and the statute governing the Children's Health Care Coverage Program, known as NJ KidCare (N.J.S.A.30:4I-1 et seq.), to provide that the period for which eligibility for benefits under both programs is determined (currently six months) shall be the maximum permitted under federal law (currently 12 months).

The provisions of this bill are identical to those of Senate Bill No. 1177, which the committee also reports this day.

FISCAL IMPACT

The bill, by increasing the period of eligibility, increases the possibility that some children would remain eligible for as much as six months after their family income/resources increased to a point that disqualified them from program coverage. Information provided by the Executive Branch estimates the total cost of such coverage at approximately \$15.7 million annually, of which less than half, or \$7.65 million, is the State share of State/federal matches.

It is likely that some children disqualified from Medicaid coverage would remain qualified for some benefits under NJ Kidcare, at a continuing cost, and that some children disqualified from Medicare and NJ Kidcare would be the recipients of hospital emergency award treatment "uncompensated care", at a continuing cost. The *net* coverage expenditures of extending the eligibility period under bill are not known. Administrative cost savings resulting from cutting the number of eligibility reviews by half are also not known.

LEGISLATIVE FISCAL ESTIMATE
ASSEMBLY, No. 2209
STATE OF NEW JERSEY
209th LEGISLATURE

DATED: MAY 23, 2001

SUMMARY

Synopsis: Requires period for which eligibility for Medicaid and NJ KidCare are determined be maximum permitted under federal law.

Type of Impact: Possible increase in State Medicaid/NJ KidCare expenditures; possible decrease in State Medicaid/NJ KidCare administrative costs.

Agencies Affected: Department of Human Services (DHS) and county welfare agencies (CWAs).

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
State Cost	Indeterminate	Indeterminate	Indeterminate
Local Cost	Indeterminate	Indeterminate	Indeterminate

! Fifteen states provide 12-month continuous coverage to children in Medicaid and 23 states offer children 12 months of continuous eligibility in their State Children's Health Insurance Program.

BILL DESCRIPTION

Assembly Bill No. 2209 of 2000 amends the Medicaid and the Children's Health Care Coverage Program (NJ KidCare) statutes to provide that the period for which eligibility for benefits under both programs is determined shall be the maximum permitted under federal law (i.e., currently 12 months).

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The Office of Legislative Services (OLS) is unable to determine the net fiscal impact of extending the period of eligibility for benefits under the Medicaid and NJ KidCare programs to the maximum permitted under federal law (i.e., currently 12 months). The Office of Legislative Services (OLS) has no information as to the amount of Medicaid/NJ KidCare benefits that may be inappropriately provided to persons who are eligible for benefits solely because of the 12 month eligibility redetermination requirement. Similarly, OLS has no information as to how much Medicaid administrative expenditures might be reduced as a result of fewer eligibility redeterminations.

It is noted that 15 states provide 12-months continuous coverage to children in their Medicaid programs and that 23 states offer children 12 months of continuous eligibility in their separate State Children's Health Insurance Programs.

Section: *Human Services*

Analyst: *Jay Hershberg*
Principal Fiscal Analyst

Approved: *Alan R. Kooney*
Legislative Budget and Finance Officer

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

This fiscal estimate has been prepared pursuant to P.L.1980, c.67.

SENATE, No. 1177

STATE OF NEW JERSEY
209th LEGISLATURE

INTRODUCED MARCH 27, 2000

Sponsored by:

Senator JACK SINAGRA

District 18 (Middlesex)

Senator JOSEPH F. VITALE

District 19 (Middlesex)

Co-Sponsored by:

Senators Allen and Turner

SYNOPSIS

Requires period for which eligibility for Medicaid and NJ KidCare are determined be maximum permitted under federal law.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 5/15/2001)

S1177 SINAGRA, VITALE

2

1 AN ACT concerning the determination of eligibility for benefits under
2 Medicaid and the Children's Health Care Coverage Program and
3 amending P.L.1968, c.413 and P.L.1997, c.272.

4

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

7

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

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

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

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

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

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

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

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

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

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

31 i. "Qualified applicant" means a person who is a resident of this
32 State, and either a citizen of the United States or an eligible alien, and
33 is determined to need medical care and services as provided under this
34 act, with respect to whom the period for which eligibility to be a
35 recipient is determined shall be the maximum period permitted under
36 federal law, and who:

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

43 (2) Is a recipient of Supplemental Security Income for the Aged,

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.

Matter underlined thus is new matter.

- 1 Blind and Disabled under Title XVI of the Social Security Act;
- 2 (3) Is an "ineligible spouse" of a recipient of Supplemental Security
3 Income for the Aged, Blind and Disabled under Title XVI of the Social
4 Security Act, as defined by the federal Social Security Administration;
- 5 (4) Would be eligible to receive Supplemental Security Income
6 under Title XVI of the federal Social Security Act or, using the
7 resource standards of the Work First New Jersey program, would be
8 eligible for the aid to families with dependent children program under
9 the State Plan for Title IV-A of the federal Social Security Act as of
10 July 16, 1996, except for failure to meet an eligibility condition or
11 requirement imposed under such State program which is prohibited
12 under Title XIX of the federal Social Security Act such as a durational
13 residency requirement, relative responsibility, consent to imposition of
14 a lien;
- 15 (5) Is a child between 18 and 21 years of age who, using the
16 resource standards of the Work First New Jersey program, would be
17 eligible for the aid to families with dependent children program under
18 the State Plan for Title IV-A of the federal Social Security Act as of
19 July 16, 1996, living in the family group except for lack of school
20 attendance or pursuit of formalized vocational or technical training;
- 21 (6) Is an individual under 21 years of age who, using the resource
22 standards of the Work First New Jersey program, would be, except for
23 dependent child requirements, eligible for the aid to families with
24 dependent children program under the State Plan for Title IV-A of the
25 federal Social Security Act as of July 16, 1996, or groups of such
26 individuals, including but not limited to, children in foster placement
27 under supervision of the Division of Youth and Family Services whose
28 maintenance is being paid in whole or in part from public funds,
29 children placed in a foster home or institution by a private adoption
30 agency in New Jersey or children in intermediate care facilities,
31 including developmental centers for the developmentally disabled, or
32 in psychiatric hospitals;
- 33 (7) Using the resource standards of the Work First New Jersey
34 program, would be eligible for the aid to families with dependent
35 children program under the State Plan for Title IV-A of the federal
36 Social Security Act in effect as of July 16, 1996 or the Supplemental
37 Security Income program, but is not receiving such assistance and
38 applies for medical assistance only;
- 39 (8) Is determined to be medically needy and meets all the eligibility
40 requirements described below:
- 41 (a) The following individuals are eligible for services, if they are
42 determined to be medically needy:
- 43 (i) Pregnant women;
- 44 (ii) Dependent children under the age of 21;
- 45 (iii) Individuals who are 65 years of age and older; and

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

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

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

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

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

18 (i) For one 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(1)(B);

21 (ii) For two person households, the resource standard shall be
22 200% of the resource standard for recipients of Supplemental Security
23 Income pursuant to 42 U.S.C.s.1382(2)(B);

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

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

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

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

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

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

1 agencies which are not reimbursed by the federal government shall be
2 reimbursed by the division;

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

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

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

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

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

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

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

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

44 (13) Is a pregnant woman or is a child who is under one year of
45 age and is a member of a family whose income does not exceed 185%
46 of the poverty level and who meets the federal Medicaid eligibility

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

7 (14) (Deleted by amendment, P.L.1997, c.272)[.] or

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

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

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

1 violation of this subparagraph. The period of ineligibility shall be the
2 number of months resulting from dividing the uncompensated value of
3 transferred resources and income by the average monthly private
4 payment rate for nursing facility services in the State as determined by
5 the commissioner. The period of ineligibility shall begin with the
6 month that the individual would otherwise be eligible for Medicaid
7 coverage for nursing facility services or home or community-based
8 services.

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

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

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

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

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

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

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

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

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

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

8 (a) a lawful permanent resident;

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

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

13 (d) an alien who has had deportation withheld pursuant to section
14 243(h) of the federal "Immigration and Nationality Act" (8 U.S.C.
15 s.1253 (h));

16 (e) an alien who has been granted parole for less than one year by
17 the federal Immigration and Naturalization Service pursuant to section
18 212(d)(5) of the federal "Immigration and Nationality Act" (8 U.S.C.
19 s.1182(d)(5));

20 (f) an alien granted conditional entry pursuant to section 203(a)(7)
21 of the federal "Immigration and Nationality Act"
22 (8 U.S.C. s.1153(a)(7)) in effect prior to April 1, 1980; or

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

26 (2) An alien who entered the United States on or after August 22,
27 1996, who is:

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

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

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

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

37
38 2. Section 4 of P.L.1997, c.272 (C.30:4I-4) is amended to read as
39 follows:

40 4. a. The Children's Health Care Coverage Program is established
41 in the Department of Human Services. The purpose of the program
42 shall be to provide subsidized private health insurance coverage, and
43 other health care benefits as determined by the commissioner, to
44 children from birth through 18 years of age within the limits of funds
45 appropriated or otherwise made available for the program. The
46 program shall require copayments and a premium contribution from

1 families with incomes which exceed 150% of the official poverty level,
2 which shall be based upon a sliding income scale. The program shall
3 include the provision of well-child and other preventive services,
4 hospitalization, physician care, laboratory and x-ray services,
5 prescription drugs, mental health services, and other services as
6 determined by the commissioner.

7 b. The commissioner, in consultation with the Commissioner of
8 Health and Senior Services, shall take such actions as are necessary to
9 implement and operate the program in accordance with the provisions
10 governing the State Children's Health Insurance Program in Title XXI
11 of the federal Social Security Act, as provided in Subtitle J of Title IV
12 of the federal "Balanced Budget Act of 1997," Pub.L.105-33.

13 c. The commissioner shall by regulation establish standards for
14 determining eligibility and other requirements for the program,
15 including, but not limited to, premium payments and copayments, and
16 may contract with one or more appropriate entities to assist in
17 administering the program. The period for which eligibility for the
18 program is determined shall be the maximum period permitted under
19 federal law. The commissioner shall take, or cause to be taken, any
20 action necessary to secure for the State the maximum amount of
21 federal financial participation available with respect to the program,
22 subject to the constraints of fiscal responsibility and within the limits
23 of available funding in any fiscal year.

24 d. Subject to federal approval, a child with a family gross income
25 that does not exceed 200% of the official poverty level shall not be
26 determined ineligible for the program solely because the child was
27 previously covered under an individual health benefits plan during any
28 period preceding application to the program if the child was not
29 voluntarily disenrolled from employer-sponsored group insurance
30 coverage during the six-month period prior to application to the
31 program.

32 e. The commissioner, in consultation with the Commissioner of
33 Health and Senior Services, shall provide by regulation for
34 presumptive eligibility for the program in accordance with the
35 following provisions:

36 (1) A child who presents himself for treatment at an acute care
37 hospital or a federally qualified health center or local health
38 department that provides primary care shall be deemed presumptively
39 eligible for the program if a preliminary determination by hospital,
40 health center or local health department staff indicates that the child
41 meets program eligibility standards established by regulation of the
42 commissioner and is a member of a household with an income which
43 does not exceed 200% of the official poverty level;

44 (2) The provisions of paragraph (1) of this subsection shall also
45 apply to a child who is presumed eligible for Medicaid coverage
46 pursuant to P.L.1968, c.413 (C.30:4D-1 et seq.);

1 (3) If a child is determined to be presumptively eligible for the
2 program, the child's parent, guardian or caretaker relative shall be
3 required to submit a completed application for the program no later
4 than the end of the month following the month in which presumptive
5 eligibility is determined; and

6 (4) During the period in which the child is presumptively eligible
7 for the program, the child shall be eligible to receive all services
8 covered by the program.

9 f. The commissioner, in consultation with the Commissioner of
10 Education and the Commissioner of Health and Senior Services, shall
11 establish a partnership initiative between the program and public
12 elementary and secondary schools, licensed child care centers,
13 registered family day care homes, and unified child care agencies in
14 this State, federally qualified health centers and local health
15 departments that provide primary care to provide outreach to children
16 throughout the State who are potentially eligible for the program.
17 Under this partnership, the commissioner shall arrange for:

18 (1) the provision by the department to each public elementary and
19 secondary school, licensed child care center, registered family day care
20 home, and unified child care agency in the State, federally qualified
21 health center and local health department that provides primary care
22 of informational materials about the program, including the potential
23 costs and benefits for a participating household, as well as program
24 application forms and postage-paid envelopes to submit completed
25 applications to the department, which the school, child care center,
26 registered family day care home, unified child care agency, health
27 center or local health department, as applicable, shall make available
28 to persons wishing to apply for the program;

29 (2) the provision to each public elementary and secondary school,
30 licensed child care center, registered family day care home, and unified
31 child care agency in the State, federally qualified health center and
32 local health department that provides primary care of a notice to be
33 distributed at least annually to the households of children attending the
34 school or child care center, or being cared for by the registered family
35 day care home, or assisted by the unified child care agency or
36 receiving health care services from the health center or local health
37 department, as applicable, informing them about the availability of the
38 informational materials, application forms and postage-paid envelopes
39 provided by the department pursuant to paragraph (1) of this
40 subsection, with respect to which distribution the department shall
41 reimburse the school or child care center, or registered family day care
42 home, or unified child care agency or health center or local health
43 department for the costs thereof in accordance with procedures
44 established by the commissioner; and

45 (3) a payment to be made by the department in the amount of \$25
46 to a school, child care center, registered family day care home, unified

1 child care agency, federally qualified health center or local health
2 department that provides primary care for each household enrolled in
3 the program which was referred by that respective entity, and to which
4 household the entity has provided assistance with enrollment in the
5 program. The payment shall be made upon the determination of
6 eligibility for the program by the department with respect to that
7 household, including the receipt of any initial premium contribution
8 from the household as required by the commissioner pursuant to this
9 section.

10 g. Subject to federal approval, the commissioner shall by
11 regulation establish that in determining income eligibility for the
12 program, any gross family income above 200% of the official poverty
13 level, up to a maximum of 350% of the official poverty level, shall be
14 disregarded.

15 (cf: P.L.1999, c.172, s.1)

16

17 3. This act shall take effect immediately.

18

19

20

STATEMENT

21

22 This bill amends the Medicaid statute (N.J.S.A.30:4D-1 et seq.) and
23 the statute governing the Children's Health Care Coverage Program,
24 known as NJ KidCare (N.J.S.A.30:4I-1 et seq.), to provide that the
25 period for which eligibility for benefits under both programs is
26 determined shall be the maximum permitted under federal law (i.e.,
27 currently 12 months).

SENATE HEALTH COMMITTEE

STATEMENT TO

SENATE, No. 1177

STATE OF NEW JERSEY

DATED: MAY 11, 2000

The Senate Health Committee reports favorably Senate Bill No. 1177.

This bill amends the Medicaid statute (N.J.S.A.30:4D-1 et seq.) and the statute governing the Children's Health Care Coverage Program, known as NJ KidCare (N.J.S.A.30:4I-1 et seq.), to provide that the period for which eligibility for benefits under both programs is determined shall be the maximum permitted under federal law (i.e., currently 12 months).

The bill is identical to Assembly Bill No. 2209 (Murphy/Thompson), which is currently pending in the Assembly Appropriations Committee.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 1177

STATE OF NEW JERSEY

DATED: NOVEMBER 9, 2000

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 1177.

This bill extends the period of time for which eligibility for Medicaid and NJ KidCare is determined. The bill amends New Jersey's Medicaid statute (N.J.S.A.30:4D-1 et seq.) and the statute governing the Children's Health Care Coverage Program, known as NJ KidCare (N.J.S.A.30:4I-1 et seq.), to provide that the period for which eligibility for benefits under both programs is determined (currently six months) shall be the maximum permitted under federal law (currently 12 months).

The provisions of this bill are identical to those of Assembly Bill No. 2209, which the committee also reports this day.

FISCAL IMPACT

The bill, by increasing the period of eligibility, increases the possibility that some children would remain eligible for as much as six months after their family income/resources increased to a point that disqualified them from program coverage. Information provided by the Executive Branch estimates the total cost of such coverage at approximately \$15.7 million annually, of which less than half, or \$7.65 million, is the State share of State/federal matches.

It is likely that some children disqualified from Medicaid coverage would remain qualified for some benefits under NJ Kidcare, at a continuing cost, and that some children disqualified from Medicare and NJ Kidcare would be the recipients of hospital emergency award treatment "uncompensated care", at a continuing cost. The *net* coverage expenditures of extending the eligibility period under bill are not known. Administrative cost savings resulting from cutting the number of eligibility reviews by half are also not known.

P.L. 2001, CHAPTER 122, *approved June 26, 2001*
Assembly Bill No. 2209

1 **AN ACT** concerning the determination of eligibility for benefits under
2 Medicaid and the Children's Health Care Coverage Program and
3 amending P.L.1968, c.413 and P.L.1997, c.272.

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

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

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

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

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

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

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

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

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

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

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

31 i. "Qualified applicant" means a person who is a resident of this
32 State, and either a citizen of the United States or an eligible alien, and
33 is determined to need medical care and services as provided under this
34 act, with respect to whom the period for which eligibility to be a
35 recipient is determined shall be the maximum period permitted under
36 federal law, and who:

37 (1) Is a dependent child or parent or caretaker relative of a
38 dependent child and a recipient of benefits under the Work First New
39 Jersey program established pursuant to P.L.1997, c.38 (C.44:10-55 et
40 seq.) who would be, except for resources, eligible for the aid to
41 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.

- 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 42
3 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
7 standard shall be the maximum allowable under federal law, but shall
8 not exceed 133 1/3% of the State's payment level to two person
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; 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
20 200% 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 42
34 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)[.] or

9 (15) (a) Is a specified low-income Medicare beneficiary pursuant to
10 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.

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

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

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

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

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

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

1 (C.30:4D-6).

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

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

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

9 (a) a lawful permanent resident;

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

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

14 (d) an alien who has had deportation withheld pursuant to section
15 243(h) of the federal "Immigration and Nationality Act" (8 U.S.C.
16 s.1253 (h));

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

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

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

27 (2) An alien who entered the United States on or after August 22,
28 1996, who is:

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

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

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

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

38

39 2. Section 4 of P.L.1997, c.272 (C.30:4I-4) is amended to read as
40 follows:

41 4. a. The Children's Health Care Coverage Program is established
42 in the Department of Human Services. The purpose of the program
43 shall be to provide subsidized private health insurance coverage, and
44 other health care benefits as determined by the commissioner, to
45 children from birth through 18 years of age within the limits of funds
46 appropriated or otherwise made available for the program. The

1 program shall require copayments and a premium contribution from
2 families with incomes which exceed 150% of the official poverty level,
3 which shall be based upon a sliding income scale. The program shall
4 include the provision of well-child and other preventive services,
5 hospitalization, physician care, laboratory and x-ray services,
6 prescription drugs, mental health services, and other services as
7 determined by the commissioner.

8 b. The commissioner, in consultation with the Commissioner of
9 Health and Senior Services, shall take such actions as are necessary to
10 implement and operate the program in accordance with the provisions
11 governing the State Children's Health Insurance Program in Title XXI
12 of the federal Social Security Act, as provided in Subtitle J of Title IV
13 of the federal "Balanced Budget Act of 1997," Pub.L.105-33.

14 c. The commissioner shall by regulation establish standards for
15 determining eligibility and other requirements for the program,
16 including, but not limited to, premium payments and copayments, and
17 may contract with one or more appropriate entities to assist in
18 administering the program. The period for which eligibility for the
19 program is determined shall be the maximum period permitted under
20 federal law. The commissioner shall take, or cause to be taken, any
21 action necessary to secure for the State the maximum amount of
22 federal financial participation available with respect to the program,
23 subject to the constraints of fiscal responsibility and within the limits
24 of available funding in any fiscal year.

25 d. Subject to federal approval, a child with a family gross income
26 that does not exceed 200% of the official poverty level shall not be
27 determined ineligible for the program solely because the child was
28 previously covered under an individual health benefits plan during any
29 period preceding application to the program if the child was not
30 voluntarily disenrolled from employer-sponsored group insurance
31 coverage during the six-month period prior to application to the
32 program.

33 e. The commissioner, in consultation with the Commissioner of
34 Health and Senior Services, shall provide by regulation for
35 presumptive eligibility for the program in accordance with the
36 following provisions:

37 (1) A child who presents himself for treatment at an acute care
38 hospital or a federally qualified health center or local health
39 department that provides primary care shall be deemed presumptively
40 eligible for the program if a preliminary determination by hospital,
41 health center or local health department staff indicates that the child
42 meets program eligibility standards established by regulation of the
43 commissioner and is a member of a household with an income which
44 does not exceed 200% of the official poverty level;

45 (2) The provisions of paragraph (1) of this subsection shall also
46 apply to a child who is presumed eligible for Medicaid coverage

1 pursuant to P.L.1968, c.413 (C.30:4D-1 et seq.);

2 (3) If a child is determined to be presumptively eligible for the
3 program, the child's parent, guardian or caretaker relative shall be
4 required to submit a completed application for the program no later
5 than the end of the month following the month in which presumptive
6 eligibility is determined; and

7 (4) During the period in which the child is presumptively eligible
8 for the program, the child shall be eligible to receive all services
9 covered by the program.

10 f. The commissioner, in consultation with the Commissioner of
11 Education and the Commissioner of Health and Senior Services, shall
12 establish a partnership initiative between the program and public
13 elementary and secondary schools, licensed child care centers,
14 registered family day care homes, and unified child care agencies in
15 this State, federally qualified health centers and local health
16 departments that provide primary care to provide outreach to children
17 throughout the State who are potentially eligible for the program.
18 Under this partnership, the commissioner shall arrange for:

19 (1) the provision by the department to each public elementary and
20 secondary school, licensed child care center, registered family day care
21 home, and unified child care agency in the State, federally qualified
22 health center and local health department that provides primary care
23 of informational materials about the program, including the potential
24 costs and benefits for a participating household, as well as program
25 application forms and postage-paid envelopes to submit completed
26 applications to the department, which the school, child care center,
27 registered family day care home, unified child care agency, health
28 center or local health department, as applicable, shall make available
29 to persons wishing to apply for the program;

30 (2) the provision to each public elementary and secondary school,
31 licensed child care center, registered family day care home, and unified
32 child care agency in the State, federally qualified health center and
33 local health department that provides primary care of a notice to be
34 distributed at least annually to the households of children attending the
35 school or child care center, or being cared for by the registered family
36 day care home, or assisted by the unified child care agency or
37 receiving health care services from the health center or local health
38 department, as applicable, informing them about the availability of the
39 informational materials, application forms and postage-paid envelopes
40 provided by the department pursuant to paragraph (1) of this
41 subsection, with respect to which distribution the department shall
42 reimburse the school or child care center, or registered family day care
43 home, or unified child care agency or health center or local health
44 department for the costs thereof in accordance with procedures
45 established by the commissioner; and

46 (3) a payment to be made by the department in the amount of \$25

1 to a school, child care center, registered family day care home, unified
2 child care agency, federally qualified health center or local health
3 department that provides primary care for each household enrolled in
4 the program which was referred by that respective entity, and to which
5 household the entity has provided assistance with enrollment in the
6 program. The payment shall be made upon the determination of
7 eligibility for the program by the department with respect to that
8 household, including the receipt of any initial premium contribution
9 from the household as required by the commissioner pursuant to this
10 section.

11 g. Subject to federal approval, the commissioner shall by
12 regulation establish that in determining income eligibility for the
13 program, any gross family income above 200% of the official poverty
14 level, up to a maximum of 350% of the official poverty level, shall be
15 disregarded.

16 (cf: P.L.1999, c.172, s.1)

17

18 3. This act shall take effect immediately.

19

20

21

STATEMENT

22

23 This bill amends the Medicaid statute (N.J.S.A.30:4D-1 et seq.) and
24 the statute governing the Children's Health Care Coverage Program,
25 known as NJ KidCare (N.J.S.A.30:4I-1 et seq.), to provide that the
26 period for which eligibility for benefits under both programs is
27 determined shall be the maximum permitted under federal law (i.e.,
28 currently 12 months).

29

30

31

32

33 _____
34 Requires period for which eligibility for Medicaid and NJ KidCare are
determined be maximum permitted under federal law.

CHAPTER 122

AN ACT concerning the determination of eligibility for benefits under Medicaid and the Children's Health Care Coverage Program and amending P.L.1968, c.413 and P.L.1997, c.272.

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, with respect to whom the period for which eligibility to be a recipient is determined shall be the maximum period permitted under federal law, 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 of age 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) or

(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;

(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. Section 4 of P.L.1997, c.272 (C.30:4I-4) is amended to read as follows:

C.30:4I-4 Children's Health Care Coverage program established.

4. a. The Children's Health Care Coverage Program is established in the Department of Human Services. The purpose of the program shall be to provide subsidized private health insurance coverage, and other health care benefits as determined by the commissioner, to children from birth through 18 years of age within the limits of funds appropriated or otherwise made available for the program. The program shall require copayments and a premium contribution from families with incomes which exceed 150% of the official poverty level, which shall be based upon a sliding income scale. The program shall include the provision of well-child and other preventive services, hospitalization, physician care, laboratory and x-ray services, prescription drugs, mental health services, and other services as determined by the commissioner.

b. The commissioner, in consultation with the Commissioner of Health and Senior Services, shall take such actions as are necessary to implement and operate the program in accordance with the provisions governing the State Children's Health Insurance Program in Title XXI of the federal Social Security Act, as provided in Subtitle J of Title IV of the federal "Balanced Budget Act of 1997," Pub.L.105-33.

c. The commissioner shall by regulation establish standards for determining eligibility and other requirements for the program, including, but not limited to, premium payments and copayments, and may contract with one or more appropriate entities to assist in administering the program. The period for which eligibility for the program is determined shall be the maximum period permitted under federal law. The commissioner shall take, or cause to be taken, any action necessary to secure for the State the maximum amount of federal financial participation available with respect to the program, subject to the constraints of fiscal responsibility and within the limits of available funding in any fiscal year.

d. Subject to federal approval, a child with a family gross income that does not exceed 200% of the official poverty level shall not be determined ineligible for the program solely because the child was previously covered under an individual health benefits plan during any period preceding application to the program if the child was not voluntarily disenrolled from employer-sponsored group insurance coverage during the six-month period prior to application to the program.

e. The commissioner, in consultation with the Commissioner of Health and Senior Services, shall provide by regulation for presumptive eligibility for the program in accordance with the following provisions:

(1) A child who presents himself for treatment at an acute care hospital or a federally qualified health center or local health department that provides primary care shall be deemed presumptively eligible for the program if a preliminary determination by hospital, health center or local health department staff indicates that the child meets program eligibility standards established by regulation of the commissioner and is a member of a household with an income which does not exceed 200% of the official poverty level;

(2) The provisions of paragraph (1) of this subsection shall also apply to a child who is presumed eligible for Medicaid coverage pursuant to P.L.1968, c.413 (C.30:4D-1 et seq.);

(3) If a child is determined to be presumptively eligible for the program, the child's parent, guardian or caretaker relative shall be required to submit a completed application for the program no later than the end of the month following the month in which presumptive eligibility is determined; and

(4) During the period in which the child is presumptively eligible for the program, the child shall be eligible to receive all services covered by the program.

f. The commissioner, in consultation with the Commissioner of Education and the Commissioner of Health and Senior Services, shall establish a partnership initiative between the program and public elementary and secondary schools, licensed child care centers, registered family day care homes, and unified child care agencies in this State, federally qualified health centers and local health departments that provide primary care to provide outreach to children throughout the State who are potentially eligible for the program. Under this partnership, the commissioner shall arrange for:

(1) the provision by the department to each public elementary and secondary school, licensed child care center, registered family day care home, and unified child care agency in the State, federally qualified health center and local health department that provides primary care of informational materials about the program, including the potential costs and benefits for a participating household, as well as program application forms and postage-paid envelopes to submit completed applications to the department, which the school, child care center, registered family day care home, unified child care agency, health center or local health department, as applicable, shall make available to persons wishing to apply for the program;

(2) the provision to each public elementary and secondary school, licensed child care center, registered family day care home, and unified child care agency in the State, federally qualified health center and local health department that provides primary care of a notice to be distributed at least annually to the households of children attending the school or child care center, or being cared for by the registered family day care home, or assisted by the unified child care agency or receiving health care services from the health center or local health department, as applicable, informing them about the availability of the informational materials, application forms and postage-paid envelopes provided by the department pursuant to paragraph (1) of this subsection, with respect to which distribution the department shall reimburse the school or child care center, or registered family day care home, or unified child care agency or health center or local health department for the costs thereof in accordance with procedures established by the commissioner; and

(3) a payment to be made by the department in the amount of \$25 to a school, child care center, registered family day care home, unified child care agency, federally qualified health center or local health department that provides primary care for each household enrolled in the program which was referred by that respective entity, and to which household the entity has provided assistance with enrollment in the program. The payment shall be made upon the determination of eligibility for the program by the department with respect to that household, including the receipt of any initial premium contribution from the household as required by the commissioner pursuant to this section.

g. Subject to federal approval, the commissioner shall by regulation establish that in determining income eligibility for the program, any gross family income above 200% of the official poverty level, up to a maximum of 350% of the official poverty level, shall be disregarded.

3. This act shall take effect immediately.

Approved June 26, 2001.

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Office of the Governor
NEWS RELEASE

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RELEASE: June 27 , 2001

Acting Governor Donald T. DiFrancesco has signed the following legislation:

S-621, sponsored by Senators John Matheussen (R-Camden/Gloucester), Norman Robertson (Essex/Passaic) and Anthony Bucco (R-Morris) and Assemblymembers John Kelly (R-Bergen/Essex/Passaic) and Arline Friscia (D-Middlesex), allows parents, children, spouses and siblings of illegal drug users, as well as employers of illegal drug users, medical facilities, insurers and persons injured by the drug users' actions to sue drug dealers for civil damages.

S-647, sponsored by Senator Joseph Kyriillos (R-Middlesex/Monmouth) and Assemblyman Joseph Azzolina (R-Middlesex/Monmouth) and Guy Gregg (R-Sussex/Hunterdon/Morris) permits the Director of the Division of Alcoholic Beverage Control to issue a special auction permit to a nonprofit organization operating solely for civic, religious, education, charitable, fraternal, social or recreational purposes.

The permit will cost \$100 and would entitle the nonprofit organization to sell at auction alcoholic beverages donated to it by a licensee.

S-1382, sponsored by Senator Robert Martin (R-Essex/Morris/Passaic) and Assemblymen Wilfredo Caraballo (D-Essex) and Kip Bateman (R-Morris/Somerset), revises rules concerning secured transactions by replacing Chapter 9 of the Uniform Commercial Code (UCC) with revised Chapter 9, as well as, conforming amendments to Chapters 1,2,2A,4,5,7 and 8 of the UCC.

S-2123, sponsored by Senator Raymond Lesniak (D-Union) and Assemblymen Neil Cohen(D-Union) and Joseph Impreveduto (D-Bergen/Hudson), increases the term of office of the mayor and the members of council from two years to four years in municipalities. Provides for a transitional three-year term of office for the mayor and members of council elected at the 2002 general election.

This bill also alters the term of office of mayor and member so council from three years to four years in towns.

A-1325, sponsored by Senator William Schluter (R-Warren/Hunterdon/Mercer) and Assemblymembers Richard Bagger (R-Middlesex/Morris/Somerset/Union) and the late Alan Augustine (R-Middlesex/Morris/Somerset/Union), allows a municipality or county to install pedestrian crossing right-of-way signs at a marked or unmarked crosswalk or at an intersection.

A-1342, sponsored by late Assemblyman Alan Augustine (R-Middlesex/Morris/Somerset/Union), provides that, as a fifth option, a Teachers' Pension and Annuity Fund (TPAF) or Public Employees' Retirement System (PERS) member may choose a retirement allowance actuarially reduced to provide to a beneficiary an allowance equivalent to the full amount, three-quarters, one-half or one-quarter of that reduced allowance, but if the beneficiary dies before the retiree, the retiree's allowance will increase to a maximum amount.

A-2185, sponsored by Senator Louis Bassano (R-Essex/Union) and John Singer (R-Burlington/Monmouth/Ocean) and Assemblymembers Leonard Lance (R-Warren/Hunterdon/Mercer) and Rose Maria Heck (R-Bergen), appropriates \$28,695,000 from the Developmental Disabilities' Waiting List Reduction and Human Services Facilities Construction Fund for the Department of Human Services. This money will be used for various projects within the divisions, including reducing the community services waiting list.

A-2209, sponsored by Senators Jack Sinagra (R-Middlesex) and Joseph Vitale (D-Middlesex) and Assemblymembers Carol Murphy (R-Essex/Morris/Passaic) and Samuel Thompson (R-Middlesex/Monmouth), provides that the period for which eligibility for Medicaid and KidCare benefits is determined shall be the maximum permitted under federal law, currently 12 months.

A-2449, sponsored by Assemblymen Michael Arnone (R-Monmouth) and Joseph Azzolina (R-Middlesex/Monmouth), permits sewerage authority or a utilities authority to rename itself as a "water reclamation authority" to more accurately reflect its activities and purposes.

A-2523, sponsored by Senators William Gormley (R-Atlantic) and Edward O'Connor (D-Hudson) and Assemblymen James Holzapfel (R-Monmouth/Ocean) and Peter Barnes (D-Middlesex), increases the penalty for persons who produce and sell false motor vehicle identification cards from a crime of the fourth degree to a crime of the third degree which is punishable by imprisonment for three to five years, a fine of up to \$15,000, or both.

A-3622, sponsored by Senators Walter Kavanaugh (R-Morris/Somerset) and Raymond Lesniak (D-Union) and Assemblymen John Wisniewski (D-Middlesex) and Samuel Thompson (R-Middlesex/Monmouth), provides that for the year 2001, 1) the day on which members of the State, county or municipal committee of a political party will take office, and the day on which the terms of members previously elected to each such committee will terminate, will be the day immediately following the day of the primary election for the general election and 2) the holding of the annual meeting of the State, county and municipal committees of a political party will occur no earlier than the day immediately following the day of the primary election and no later than the 21st day following such election.