

**30:4D-8.16 to 30:4D-8.27**  
**LEGISLATIVE HISTORY CHECKLIST**  
Compiled by the NJ State Law Library

**LAWS OF:** 2019                      **CHAPTER:** 517

**NJSA:**              **30:4D-8.16 to 30:4D-8.27** (Provides for establishment of Regional Health Hub Program as replacement to Accountable Care Organization Demonstration Project, and designates existing accountable care organizations and look-alike organizations as Regional Health Hubs.)

**BILL NO:**              A5977                      (Substituted for S4282)

**SPONSOR(S)** Louis D. Greenwald and others

**DATE INTRODUCED:** 11/18/2019

**COMMITTEE:**              **ASSEMBLY:** Health & Senior Services  
Appropriations  
  
**SENATE:** Health, Human Services & Senior Citizens  
Budget & Appropriations

**AMENDED DURING PASSAGE:** Yes

**DATE OF PASSAGE:**              **ASSEMBLY:** 1/13/2020

**SENATE:** 1/13/2020

**DATE OF APPROVAL:** 1/21/2020

**FOLLOWING ARE ATTACHED IF AVAILABLE:**

**FINAL TEXT OF BILL** (Second Reprint enacted)                      Yes

**A5977**

**SPONSOR'S STATEMENT:** (Begins on page 9 of introduced bill) Yes

**COMMITTEE STATEMENT:**                      **ASSEMBLY:** Yes Health &  
Senior Services  
Appropriations

**SENATE:** Yes Budget & Appropriations

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

**FLOOR AMENDMENT STATEMENT:** No

**LEGISLATIVE FISCAL ESTIMATE:** Yes 12/17/2019  
1/14/2020

**S4282**

**SPONSOR'S STATEMENT:** (Begins on page 9 of introduced bill) Yes

**COMMITTEE STATEMENT:**

**ASSEMBLY:** No

**SENATE:** Yes Health, Human  
Services & Senior  
Citizens

Budget & Appropriations

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

**FLOOR AMENDMENT STATEMENT:** No

**LEGISLATIVE FISCAL ESTIMATE:** Yes 1/2/2020  
1/14/2020

**VETO MESSAGE:** No

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

**FOLLOWING WERE PRINTED:**

To check for circulating copies, contact New Jersey State Government Publications at the State Library ([609\) 278-2640 ext.103 or <mailto:refdesk@njstatelib.org>](tel:6092782640))

**REPORTS:** No

**HEARINGS:** No

**NEWSPAPER ARTICLES:** Yes

"Regional hubs established to improve population," NJBIZ (New Brunswick, NJ) - January 22, 2020

Rwh/cl

P.L. 2019, CHAPTER 517, *approved January 21, 2020*  
Assembly, No. 5977 (*Second Reprint*)

1 **AN ACT** concerning the establishment of a Regional Health Hub  
2 Program as a replacement to the Accountable Care Organization  
3 Demonstration Project, and supplementing Title 30 of the  
4 Revised Statutes.

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

- 8  
9 1. The Legislature finds and declares that:
- 10 a. Significant State resources are invested in both the health  
11 and social service sectors in New Jersey, and the development of  
12 improvements in how Medicaid benefits and payment models  
13 interact with social services would provide a benefit to all New  
14 Jersey residents.
- 15 b. A more regional approach to care, involving the coordinated  
16 provision of person-centered health care in combination with robust  
17 connections to social services and community resources, is required  
18 at both the patient and organizational levels.
- 19 c. It is in New Jersey's best interest to establish a regional  
20 network of non-profit organizations that partner with Medicaid and  
21 State agencies to reduce health disparities and improve health  
22 outcomes and the delivery of care for Medicaid recipients in the  
23 State. Such non-profit organizations have the capacity to become  
24 local innovation engines that use real-time actionable data and  
25 diverse stakeholder input to develop and implement innovative  
26 models for the delivery of effective, person-centered care.
- 27 d. It is both reasonable and appropriate for the Department of  
28 Human Services to designate and recognize existing accountable  
29 care organizations as Regional Health Hubs, and to establish new  
30 Regional Health Hubs in appropriate areas of the State, as provided  
31 by this act, in order to enable the State to:
- 32 (1) identify existing and emerging threats to health and  
33 wellbeing, and problems with the State's regional health care  
34 delivery systems, and identify and determine how to implement  
35 solutions to those problems;
- 36 (2) promote and facilitate cooperation, coordination, innovation,  
37 and goal setting by and among relevant stakeholders;

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

**Matter underlined thus is new matter.**

**Matter enclosed in superscript numerals has been adopted as follows:**

<sup>1</sup>Assembly AHE committee amendments adopted December 5, 2019.

<sup>2</sup>Senate SBA committee amendments adopted January 6, 2020.

1 (3) evaluate the progress that has been made in achieving  
2 identified goals and priorities; and

3 (4) otherwise encourage and enable the overall improvement of  
4 the health of New Jersey residents and the delivery of health care  
5 throughout the State.

6

7 2. As used in this act:

8 “Commissioner” means the Commissioner of Human Services.

9 “Core region” means the geographic area of responsibility for a  
10 Regional Health Hub.

11 “Data catchment area” means the zip codes in New Jersey for  
12 which a Regional Health Hub receives <sup>1</sup> **【Medicaid】** NJ  
13 FamilyCare<sup>1</sup> claims data.

14 “Department” means the Department of Human Services.

15 “Existing Regional Health Hub” means those four organizations  
16 designated as Regional Health Hubs by the FY20 New Jersey State  
17 Budget, P.L.2019, c.150 and identified in subsection b. of section 3  
18 of this act.

19 “Health information platform” means a Health Information  
20 Exchange (HIE) or other electronic platform that is used to run  
21 population-level analytics or exchange health information among  
22 various organizations.

23 “New Regional Health Hub” means an entity that is designated  
24 by the commissioner as a Regional Health Hub after the effective  
25 date of, and as provided by, this act.

26 “Prospective service region” or “prospective region” means a  
27 geographical area that is designated by the commissioner, pursuant  
28 to subsection a. of section 4 of this act, as being in need of a  
29 Regional Health Hub.

30 “Regional Health Hub” means any entity that is designated as a  
31 Regional Health Hub, as provided by this act, including an existing  
32 Regional Health Hub or a new Regional Health Hub.

33

34 3. a. The Department of Human Services shall establish a  
35 Regional Health Hub Program, and shall designate <sup>1</sup> **【and certify】**<sup>1</sup>  
36 Regional Health Hubs in appropriate areas of the State, as provided  
37 by this act. The Regional Health Hub Program shall replace the  
38 Medicaid Accountable Care Organization Demonstration Project  
39 established pursuant to P.L.2011, c.114 (C.30:4D-8.1 et seq.),  
40 which is now subject to expiration by law.

41 b. The following certified accountable care organizations and  
42 accountable care look-alike organizations, which are operating in  
43 this State as of the effective date of this act, shall be grandfathered  
44 into the Regional Health Hub Program, and shall be automatically  
45 designated <sup>1</sup> **【and certified】**<sup>1</sup> as Regional Health Hubs, for the  
46 purposes of this act:

47 (1) the Healthy Greater Newark ACO;

48 (2) the Trenton Health Team;

1 (3) the Camden Coalition of Health Care Providers; and

2 (4) the Health Coalition of Passaic County.

3 c. (1) The Department of Human Services <sup>1</sup>[, in consultation  
4 with the Department of Health,]<sup>1 2</sup>, in consultation with the  
5 Department of Health,<sup>2</sup> shall be authorized to designate <sup>1</sup>[and  
6 certify]<sup>1</sup> additional non-profit organizations to operate as Regional  
7 Health Hubs under the Regional Health Hub Program, pursuant to  
8 section 4 of this act, as determined to be appropriate.

9

10 4. a. The commissioner <sup>2</sup>, in consultation with the  
11 Commissioner of Health,<sup>2</sup> shall designate and delineate the  
12 boundaries of regions of the State that are in need of new Regional  
13 Health Hubs <sup>1</sup>within six months of the effective date of this act<sup>1</sup>.

14 b. The commissioner's designation and delineation of  
15 prospective service regions for new Regional Health Hubs shall be  
16 based on the following factors:

17 (1) the availability of State and federal funding necessary to  
18 support the new Regional Health Hub, and the State's ability to  
19 provide necessary funding <sup>1</sup>[without negatively impacting the  
20 operation and effectiveness of other Regional Health Hubs in the  
21 State]<sup>1</sup> ;

22 (2) the number and density of Medicaid beneficiaries in the  
23 region;

24 (3) the existence, in the region, of multiple health and social  
25 service systems of care that are in need of convening and  
26 coordination; and

27 (4) the volume, in the region, of avoidable inpatient hospital  
28 admissions and emergency department visits.

29 c. Based on the analysis of factors identified in subsection b. of  
30 this section, the commissioner may designate any county, zip code,  
31 or group of zip codes in the State as a prospective service region.  
32 The boundaries of any prospective service region designated under  
33 this section shall not <sup>1</sup>[include] overlap with<sup>1</sup> any portion of a core  
34 region served by another Regional Health Hub.

35 d. Once an area has been designated by the commissioner as a  
36 prospective service region, the commissioner shall <sup>1</sup>[solicit and  
37 review applications from qualified non-profit organizations that  
38 wish to be designated and certified] evaluate organizations for  
39 designation<sup>1</sup> as the new Regional Health Hub for the prospective  
40 service region. The commissioner shall only designate <sup>1</sup>[and  
41 certify]<sup>1</sup> an organization as a new Regional Health Hub if the  
42 organization:

43 (1) is a registered New Jersey non-profit organization exempt  
44 from federal taxation under 26 U.S.C. s.501(c)3;

45 (2) submits a request identifying the proposed boundaries of the  
46 Regional Health Hub's anticipated core region, which boundaries  
47 shall include the total area of a prospective service region

- 1 designated by the commissioner, and shall not include any area that  
2 is already included in another Regional Health Hub's core region;  
3 **and**<sup>1</sup>
- 4 (3) submits a request identifying the proposed boundaries of the  
5 Regional Health Hub's anticipated data catchment area <sup>1</sup>; and  
6 (4) demonstrates, to the commissioner's satisfaction, the ability  
7 to perform the mandatory functions of a Regional Health Hub, as  
8 described in subsection a. of section 6 of this act<sup>1</sup> .
- 9 e. Within 180 days after an organization is approved to operate  
10 as a Regional Health Hub, the organization shall:
- 11 (1) establish and maintain a headquarters within the boundaries  
12 of the core region;
- 13 (2) establish and convene an advisory committee of persons who  
14 reside or work in the core region, which committee shall include  
15 community members and representatives from organizations that  
16 exemplify the diversity of geography, gender, disability, age, sexual  
17 orientation, veterans' status, and prevalent health conditions in the  
18 core region. The following types of persons may be included in an  
19 advisory committee established under this paragraph: (a)  
20 community members having lived experience with the health care  
21 system; (b) Medicaid beneficiaries; (c) representatives from school  
22 districts; (d) representatives of local government; (e) representatives  
23 of housing organizations; and (f) representatives of the faith-based  
24 community; **and**<sup>1</sup>
- 25 (3) establish and convene a governing board that includes  
26 members from a majority of the following groups and entities, to  
27 the extent that such groups and entities are present in the core  
28 region: (a) hospitals or hospital systems; (b) Federally Qualified  
29 Health Centers; (c) private clinicians, including physicians and  
30 nurses; (d) community-based organizations such as behavioral  
31 health providers and social service agencies; (e) managed care  
32 organizations; (f) the advisory committee established pursuant to  
33 paragraph (2) of this subsection; and (g) health care consumers **;**<sup>1</sup>  
34 and
- 35 (4) demonstrate, to the commissioner's satisfaction, the ability  
36 to perform the mandatory functions of a Regional Health Hub, as  
37 described in subsection a. of section 6 of this act**]**<sup>1</sup> .
- 38 f. If more than one organization meets the criteria for  
39 designation as a Regional Health Hub in a prospective service  
40 region, the commissioner, in the commissioner's discretion, shall  
41 designate the organization that the commissioner determines will be  
42 best able to meet the needs of, and fulfill the purposes of this act  
43 within, the prospective service region.
- 44 g. Before **approving an application to become]**<sup>1</sup> designating<sup>1</sup>  
45 a Regional Health Hub under this section, the commissioner shall  
46 review each of the boundary requests submitted by the **applicant]**<sup>1</sup>  
47 organization<sup>1</sup> under **paragraphs (6) and (7)]**<sup>1</sup> paragraph (2)<sup>1</sup> of  
48 subsection d. of this section, and shall either approve the requests,

1 as submitted by the <sup>1</sup>‘[applicant] organization’, or require the  
2 <sup>1</sup>‘[applicant] organization’ to make appropriate modifications to the  
3 boundary requests as a precondition to their approval. If a  
4 boundary request cannot be modified as necessary to comply with  
5 the provisions of this act, the commissioner <sup>1</sup>‘[shall] may’ select  
6 another <sup>1</sup>‘[applicant] organization’ to serve as the Regional Health  
7 Hub in the proposed service region.

8 h. A designated Regional Health Hub may submit an  
9 application to the commissioner, at any time, requesting the  
10 expansion of its core region. The commissioner <sup>1</sup>‘[shall] may’  
11 approve the requested expansion if:

12 (1) the boundaries of the expanded core region will not overlap  
13 with the core region of another Regional Health Hub;

14 (2) the area would otherwise qualify for designation as a  
15 prospective service region under subsection b. of <sup>1</sup>‘this’ section <sup>1</sup>‘[4  
16 of this act]’; and

17 (3) the applicant demonstrates, to the commissioner’s  
18 satisfaction, the applicant’s ability to perform, in the requested  
19 expansion area, and within one year following submission of the  
20 application, the mandatory activities of a Regional Health Hub, as  
21 described in subsection a. of section 6 of this act.

22

23 5. a. The commissioner may revoke an organization’s status as  
24 a Regional Health Hub if the organization fails to perform the  
25 mandatory activities of a Regional Health Hub, as described in  
26 subsection a. of section 6 of this act.

27 b. Before revoking an organization’s status as a Regional  
28 Health Hub, the commissioner shall notify the organization of the  
29 potential revocation and provide a reasonable timeframe for  
30 corrective action.

31 c. The commissioner’s revocation of Regional Health Hub  
32 status shall be a final agency action for the purposes of the  
33 “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et  
34 seq.).

35 d. After revoking an organization’s status as a Regional Health  
36 Hub, the commissioner shall immediately determine whether a new  
37 Regional Health Hub is needed in the area where status was  
38 revoked. If such need is determined to exist, the commissioner  
39 shall designate a new Regional Health Hub to serve the area, as  
40 provided by subsection d. of section 4 of this act.

41

42 6. a. Each designated Regional Health Hub shall engage in the  
43 following mandatory activities:

44 (1) establish, operate, and maintain a health information  
45 platform that allows for population-level views and analytics, and  
46 patient-level health interventions. Unless annually exempted by the  
47 commissioner, each Regional Health Hub’s health information  
48 platform shall, to the extent practicable, be interoperable with all

- 1 other Regional Health Hubs' platforms, and with any other  
2 Statewide health information <sup>1</sup>**【project】 platform<sup>1</sup>** designated by the  
3 commissioner;
- 4 (2) convene and obtain relevant input from community  
5 stakeholders within the Regional Health Hub's core region. At a  
6 minimum, convening activities shall include quarterly opportunities  
7 for the active engagement and interaction of relevant stakeholders,  
8 including, but not limited to, managed care organizations, local and  
9 State government entities, health care and social service providers,  
10 community-based organizations, and local consumers of health  
11 care;
- 12 (3) upon request, provide the department and other State  
13 agencies, including the Departments of Health, Children and  
14 Families, and Community Affairs, with information and feedback to  
15 assist the departments in program design, population analysis,  
16 strategic planning, and other appropriate functions; and
- 17 (4) engage in any other activity that the commissioner deems  
18 necessary to achieve the goals of this act.
- 19 b. Each designated Regional Health Hub shall be authorized to  
20 engage in the following activities as necessary either to further the  
21 Regional Health Hub's goals or to comport with the provisions of  
22 <sup>1</sup>**【a memorandum of understanding executed between】** the proposal  
23 submitted by<sup>1</sup> the Regional Health Hub <sup>1</sup>**【and】** to<sup>1</sup> the department  
24 pursuant to section 7 of this act:
- 25 (1) plan and execute population-level and patient-level health  
26 interventions;
- 27 (2) establish, operate, and maintain, or partner with a third-party  
28 who will establish, operate, and maintain, a community resource  
29 inventory that is capable of referring and tracking the referral of  
30 community members to appropriate services;
- 31 (3) perform a health needs assessment on all or part of the  
32 population in the Regional Health Hub's core region;
- 33 (4) perform quality improvement activities based on population-  
34 level data and health needs assessment findings;
- 35 (5) develop screening protocols that provide for a  
36 comprehensive risk assessment to determine a patient's need for  
37 follow-up and wrap-around services related to the social  
38 determinants of health;
- 39 (6) facilitate the coordination, within the Regional Health Hub's  
40 core region, of health care and ancillary services related to the  
41 social determinants of health, including, but not limited to, food  
42 assistance services, legal services, and other social services, for  
43 high-need populations;
- 44 (7) provide care management services to the entire population,  
45 or to underserved sub-populations, in the Regional Health Hub's  
46 core region;
- 47 (8) submit <sup>1</sup>**【an annual report】** reports<sup>1</sup> to the commissioner  
48 describing the health needs in the Regional Health Hub's core



1 region, identifying the Regional Health Hub's near and long-term  
2 health goals for the core region, and describing the activities that  
3 have been undertaken, and the progress that has been made, over  
4 the preceding year, by the Regional Health Hub and relevant  
5 stakeholders in the core region to improve the effectiveness or  
6 efficiency of the core region's health care system; and

7 (9) engage in any other appropriate activity that the  
8 commissioner or Regional Health Hub deems relevant to the  
9 attainment of the Regional Health Hub's goals.

10 c. Nothing in this section shall be deemed to limit the activities  
11 that a Regional Health Hub may conduct on behalf of other State  
12 departments or funders.

13

14 7. a. <sup>1</sup>~~Each~~ Regional Health Hub <sup>1</sup>~~may~~ shall<sup>1</sup> annually  
15 <sup>1</sup>~~enter into~~ submit<sup>1</sup> a <sup>1</sup>~~memorandum of understanding with~~  
16 proposal to<sup>1</sup> the department, describing the Regional Health Hub's  
17 annual goals, and the elective activities that the Regional Health  
18 Hub will undertake during the upcoming fiscal year.

19 b. In order to <sup>1</sup>~~facilitate the annual execution of memoranda~~  
20 ~~of understanding~~ become effective, each Regional Health Hub's  
21 proposal shall be approved by the department <sup>2</sup>in consultation with  
22 the Department of Health<sup>2</sup> . Approval shall be at the sole discretion  
23 of the department <sup>2</sup>in consultation with the Department of Health<sup>2</sup> ,  
24 and the department may request that the Regional Health Hub  
25 modify and resubmit a proposal, in order to receive approval.

26 c. In order to facilitate the development of proposals<sup>1</sup> under  
27 this section, the department shall annually provide each Regional  
28 Health Hub with a list of the department's goals, projects, or  
29 priorities for the upcoming fiscal year.

30 <sup>1</sup>~~c. Any Regional Health Hub wishing to enter into a~~  
31 ~~memorandum of understanding with the department shall first~~  
32 ~~convene an annual planning meeting of stakeholders within the~~  
33 ~~Regional Health Hub's core region in order to identify potential~~  
34 ~~goals, projects, and priorities for the core region. The convening of~~  
35 ~~a meeting under this subsection may overlap with the Regional~~  
36 ~~Health Hub's duties under paragraph (2) of subsection a. of section~~  
37 ~~6 of this act.]~~<sup>1</sup>

38 d. When <sup>1</sup>~~executing a memorandum of understanding~~  
39 finalizing a proposal<sup>1</sup> under this section, the department and  
40 relevant Regional Health Hub shall negotiate joint goals, projects,  
41 and priorities for the upcoming fiscal year, and agree upon the  
42 associated funding that will be needed to accomplish those joint  
43 goals, projects, and priorities.

44 e. Each <sup>1</sup>~~memorandum of understanding executed~~ proposal  
45 approved<sup>1</sup> pursuant to this section shall include, at a minimum:

1 (1) a description of the joint goals, projects, and priorities  
2 agreed upon by the Regional Health Hub and the department for the  
3 upcoming fiscal year pursuant to subsection d. of this section;

4 (2) an indication of the amount of funding that will be needed to  
5 attain each joint goal, project, and priority identified in the  
6 <sup>1</sup>["memorandum of understanding] proposal<sup>1</sup>, and an indication of  
7 the total amount of funding, overall, that will <sup>1</sup>be<sup>1</sup> needed to  
8 execute the <sup>1</sup>["memorandum of understanding] proposal<sup>1</sup> ;

9 (3) a description of the clear deliverables and performance  
10 metrics that will be used to evaluate and measure success in relation  
11 to the achievement of the goals, projects, and priorities described in  
12 the <sup>1</sup>["memorandum of understanding] proposal<sup>1</sup>; and

13 (4) a description of performance-based payments <sup>1</sup>[,  
14 representing at least 10 percent but not more than 25 percent of the  
15 total funding needed to execute the memorandum of  
16 understanding]<sup>1</sup> , which <sup>1</sup>["payments will] shall<sup>1</sup> be tied to the  
17 achievement of the clear deliverables <sup>1</sup>and performance metrics<sup>1</sup>  
18 described in paragraph (3) of this subsection. <sup>1</sup>Each year, at least  
19 10 percent, but no more than 25 percent of the total funding  
20 provided by the department to each Regional Health Hub to  
21 undertake the activities described in section 6 of this act shall be  
22 contingent upon the Regional Health Hub's achievement of such  
23 deliverables and performance metrics. Determination of whether a  
24 Regional Health Hub has achieved such deliverables and  
25 performance metrics shall be at the sole discretion of the  
26 department.<sup>1</sup>

27  
28 <sup>1</sup>8. a. A Regional Health Hub may be funded in part by the  
29 department, in accordance with the provisions of the annual  
30 appropriations act. As described in paragraph (4) of subsection e.  
31 of section 7 of this act, a portion of such funding shall be contingent  
32 on the Regional Health Hub's achievement of deliverables and  
33 performance metrics, as specified in the Regional Health Hub's  
34 approved proposal each year.

35 b. In addition to funding described in subsection a. of this  
36 section, the commissioner shall have the discretion to support a  
37 Regional Health Hub's innovation projects that advance Medicaid  
38 priorities using other available dollars as appropriate.

39 c. A Regional Health Hub shall not receive funding provided  
40 for under this section until the Regional Health Hub has submitted  
41 an annual proposal, as described in section 7 of this act.<sup>1</sup>

42  
43 <sup>1</sup>["8.]<sup>1</sup> 9.<sup>1</sup> a. A health information platform operated pursuant  
44 to paragraph (1) of subsection a. of section 6 of this act shall  
45 contain detailed health data from the Regional Health Hub's core  
46 region, including macro-level analytics of broad population trends,  
47 and micro-level analytics of both individual health data, and disease  
48 trends by category of disease, age group, or other subset.

1 b. <sup>1</sup>Each hospital in the State shall be required to submit  
2 pertinent patient data to the health information platform that is  
3 maintained by the Regional Health Hub operating in the same  
4 region of the State in which the hospital is located, or, if there is no  
5 Regional Health Hub operating in the region, to the health  
6 information platform that is maintained by the Regional Health Hub  
7 that is closest in geography to the hospital. The data submitted  
8 pursuant to this paragraph shall be provided on a real-time basis, to  
9 the extent practicable, and in no case, less frequently than daily.

10 c. Each managed care organization operating in the State shall  
11 be required to share all relevant health data with each health  
12 information platform that is maintained in a region of the State in  
13 which the managed care organization provides services to patients.

14 d.] Each Regional Health Hub shall maintain a data sharing use  
15 and reciprocal support agreement, and any applicable use case  
16 agreement, with any Statewide health information platform  
17 designated by the commissioner in order to promote  
18 interoperability.

19 c. The department shall, consistent with federal and State law,  
20 make available NJ FamilyCare claims data to the Regional Health  
21 Hubs, as needed for the Regional Health Hub's population health  
22 work or other tasks, and enter into appropriate data sharing  
23 agreements for the exchange of such data. The department shall  
24 share with each Regional Health Hub the NJ FamilyCare claims  
25 data for beneficiaries residing within the Regional Health Hub's  
26 data catchment area, as mutually agreed to by the Regional Health  
27 Hub and the department. The data catchment area shall include, but  
28 need not be limited to, the Regional Health Hub's core region, and  
29 may overlap with the data catchment areas for other Regional  
30 Health Hubs.

31 d.<sup>1</sup> The Departments of Human Services, Health, Children and  
32 Families, and Community Affairs shall be authorized <sup>1</sup>, to the  
33 extent permissible by federal and State law or regulation,<sup>1</sup> to share  
34 with the health information platforms established, or the Regional  
35 Health Hubs designated, pursuant to this act, any available health  
36 data that is maintained by the departments.

37  
38 <sup>1</sup>[9.] 10.<sup>1</sup> Any State department that implements a pilot  
39 program related to health care delivery shall be encouraged to  
40 consult with the Regional Health Hubs operating in the regions of  
41 the State that will be affected by the pilot program, in order to  
42 ensure that all relevant considerations have been accounted for, and  
43 that the pilot program is effectively and efficiently implemented  
44 with the assistance of all relevant stakeholders.

45  
46 <sup>1</sup>[10.] 11.<sup>1</sup> In addition to utilizing any State-appropriated  
47 funding that supports Regional Health Hubs, the Commissioner of  
48 Human Services shall apply for such State plan amendments or

1 waivers as may be necessary to implement the provisions of this  
2 act, and to secure federal financial participation for State Medicaid  
3 expenditures under the federal Medicaid program, and shall take  
4 such additional steps as may be necessary to secure, on behalf of  
5 participating Regional Health Hubs, such waivers, exemptions, or  
6 advisory opinions to ensure that such Regional Health Hubs are in  
7 compliance with applicable provisions of State and federal law  
8 related to fraud and abuse, including, but not limited to, anti-  
9 kickback, self-referral, false claim, and civil monetary penalty  
10 provisions.

11

12 <sup>1</sup>~~11.~~ 12.<sup>1</sup> The Commissioner of Human Services shall adopt  
13 rules and regulations, pursuant to the “Administrative Procedure  
14 Act,” P.L.1968, c.410 (C.52:14B-1 et seq.), as may be necessary to  
15 implement the provisions of this act.

16

17 <sup>1</sup>~~12.~~ 13.<sup>1</sup> This act shall take effect immediately <sup>1</sup>; ~~however,~~  
18 funding appropriated for the Regional Health Hub Project in the  
19 Fiscal Year 2020 annual appropriations act, P.L.2019, c.150, shall  
20 not be subject to the provisions of this act.<sup>1</sup>

21

22

23

24

25 \_\_\_\_\_  
26 Provides for establishment of Regional Health Hub Program as  
27 replacement to Accountable Care Organization Demonstration  
28 Project, and designates existing accountable care organizations and  
look-alike organizations as Regional Health Hubs.

# ASSEMBLY, No. 5977

## STATE OF NEW JERSEY 218th LEGISLATURE

INTRODUCED NOVEMBER 18, 2019

**Sponsored by:**

**Assemblyman LOUIS D. GREENWALD**

**District 6 (Burlington and Camden)**

**Assemblywoman JOANN DOWNEY**

**District 11 (Monmouth)**

**SYNOPSIS**

Provides for establishment of Regional Health Hub Program as replacement to Accountable Care Organization Demonstration Project, and designates existing accountable care organizations and look-alike organizations as Regional Health Hubs.

**CURRENT VERSION OF TEXT**

As introduced.



(Sponsorship Updated As Of: 12/6/2019)

1 AN ACT concerning the establishment of a Regional Health Hub  
2 Program as a replacement to the Accountable Care Organization  
3 Demonstration Project, and supplementing Title 30 of the  
4 Revised Statutes.

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

8  
9 1. The Legislature finds and declares that:

10 a. Significant State resources are invested in both the health  
11 and social service sectors in New Jersey, and the development of  
12 improvements in how Medicaid benefits and payment models  
13 interact with social services would provide a benefit to all New  
14 Jersey residents.

15 b. A more regional approach to care, involving the coordinated  
16 provision of person-centered health care in combination with robust  
17 connections to social services and community resources, is required  
18 at both the patient and organizational levels.

19 c. It is in New Jersey's best interest to establish a regional  
20 network of non-profit organizations that partner with Medicaid and  
21 State agencies to reduce health disparities and improve health  
22 outcomes and the delivery of care for Medicaid recipients in the  
23 State. Such non-profit organizations have the capacity to become  
24 local innovation engines that use real-time actionable data and  
25 diverse stakeholder input to develop and implement innovative  
26 models for the delivery of effective, person-centered care.

27 d. It is both reasonable and appropriate for the Department of  
28 Human Services to designate and recognize existing accountable  
29 care organizations as Regional Health Hubs, and to establish new  
30 Regional Health Hubs in appropriate areas of the State, as provided  
31 by this act, in order to enable the State to:

32 (1) identify existing and emerging threats to health and  
33 wellbeing, and problems with the State's regional health care  
34 delivery systems, and identify and determine how to implement  
35 solutions to those problems;

36 (2) promote and facilitate cooperation, coordination, innovation,  
37 and goal setting by and among relevant stakeholders;

38 (3) evaluate the progress that has been made in achieving  
39 identified goals and priorities; and

40 (4) otherwise encourage and enable the overall improvement of  
41 the health of New Jersey residents and the delivery of health care  
42 throughout the State.

43  
44 2. As used in this act:

45 "Commissioner" means the Commissioner of Human Services.

46 "Core region" means the geographic area of responsibility for a  
47 Regional Health Hub.

48 "Data catchment area" means the zip codes in New Jersey for

1 which a Regional Health Hub receives Medicaid claims data.

2 “Department” means the Department of Human Services.

3 “Existing Regional Health Hub” means those four organizations  
4 designated as Regional Health Hubs by the FY20 New Jersey State  
5 Budget, P.L.2019, c.150 and identified in subsection b. of section 3  
6 of this act.

7 “Health information platform” means a Health Information  
8 Exchange (HIE) or other electronic platform that is used to run  
9 population-level analytics or exchange health information among  
10 various organizations.

11 “New Regional Health Hub” means an entity that is designated  
12 by the commissioner as a Regional Health Hub after the effective  
13 date of, and as provided by, this act.

14 “Prospective service region” or “prospective region” means a  
15 geographical area that is designated by the commissioner, pursuant  
16 to subsection a. of section 4 of this act, as being in need of a  
17 Regional Health Hub.

18 “Regional Health Hub” means any entity that is designated as a  
19 Regional Health Hub, as provided by this act, including an existing  
20 Regional Health Hub or a new Regional Health Hub.

21

22 3. a. The Department of Human Services shall establish a  
23 Regional Health Hub Program, and shall designate and certify  
24 Regional Health Hubs in appropriate areas of the State, as provided  
25 by this act. The Regional Health Hub Program shall replace the  
26 Medicaid Accountable Care Organization Demonstration Project  
27 established pursuant to P.L.2011, c.114 (C.30:4D-8.1 et seq.),  
28 which is now subject to expiration by law.

29 b. The following certified accountable care organizations and  
30 accountable care look-alike organizations, which are operating in  
31 this State as of the effective date of this act, shall be grandfathered  
32 into the Regional Health Hub Program, and shall be automatically  
33 designated and certified as Regional Health Hubs, for the purposes  
34 of this act:

- 35 (1) the Healthy Greater Newark ACO;  
36 (2) the Trenton Health Team;  
37 (3) the Camden Coalition of Health Care Providers; and  
38 (4) the Health Coalition of Passaic County.

39 c. (1) The Department of Human Services, in consultation with  
40 the Department of Health, shall be authorized to designate and  
41 certify additional non-profit organizations to operate as Regional  
42 Health Hubs under the Regional Health Hub Program, pursuant to  
43 section 4 of this act, as determined to be appropriate.

44

45 4. a. The commissioner shall designate and delineate the  
46 boundaries of regions of the State that are in need of new Regional  
47 Health Hubs.

1       b. The commissioner's designation and delineation of  
2 prospective service regions for new Regional Health Hubs shall be  
3 based on the following factors:

4       (1) the availability of State and federal funding necessary to  
5 support the new Regional Health Hub, and the State's ability to  
6 provide necessary funding without negatively impacting the  
7 operation and effectiveness of other Regional Health Hubs in the  
8 State;

9       (2) the number and density of Medicaid beneficiaries in the  
10 region;

11       (3) the existence, in the region, of multiple health and social  
12 service systems of care that are in need of convening and  
13 coordination; and

14       (4) the volume, in the region, of avoidable inpatient hospital  
15 admissions and emergency department visits.

16       c. Based on the analysis of factors identified in subsection b. of  
17 this section, the commissioner may designate any county, zip code,  
18 or group of zip codes in the State as a prospective service region.  
19 The boundaries of any prospective service region designated under  
20 this section shall not include any portion of a core region served by  
21 another Regional Health Hub.

22       d. Once an area has been designated by the commissioner as a  
23 prospective service region, the commissioner shall solicit and  
24 review applications from qualified non-profit organizations that  
25 wish to be designated and certified as the new Regional Health Hub  
26 for the prospective service region. The commissioner shall only  
27 designate and certify an organization as a new Regional Health Hub  
28 if the organization:

29       (1) is a registered New Jersey non-profit organization exempt  
30 from federal taxation under 26 U.S.C. s.501(c)3;

31       (2) submits a request identifying the proposed boundaries of the  
32 Regional Health Hub's anticipated core region, which boundaries  
33 shall include the total area of a prospective service region  
34 designated by the commissioner, and shall not include any area that  
35 is already included in another Regional Health Hub's core region;  
36 and

37       (3) submits a request identifying the proposed boundaries of the  
38 Regional Health Hub's anticipated data catchment area.

39       e. Within 180 days after an organization is approved to operate  
40 as a Regional Health Hub, the organization shall:

41       (1) establish and maintain a headquarters within the boundaries  
42 of the core region;

43       (2) establish and convene an advisory committee of persons who  
44 reside or work in the core region, which committee shall include  
45 community members and representatives from organizations that  
46 exemplify the diversity of geography, gender, disability, age, sexual  
47 orientation, veterans' status, and prevalent health conditions in the  
48 core region. The following types of persons may be included in an



1 advisory committee established under this paragraph: (a)  
2 community members having lived experience with the health care  
3 system; (b) Medicaid beneficiaries; (c) representatives from school  
4 districts; (d) representatives of local government; (e) representatives  
5 of housing organizations; and (f) representatives of the faith-based  
6 community;

7 (3) establish and convene a governing board that includes  
8 members from a majority of the following groups and entities, to  
9 the extent that such groups and entities are present in the core  
10 region: (a) hospitals or hospital systems; (b) Federally Qualified  
11 Health Centers; (c) private clinicians, including physicians and  
12 nurses; (d) community-based organizations such as behavioral  
13 health providers and social service agencies; (e) managed care  
14 organizations; (f) the advisory committee established pursuant to  
15 paragraph (2) of this subsection; and (g) health care consumers; and

16 (4) demonstrate, to the commissioner's satisfaction, the ability  
17 to perform the mandatory functions of a Regional Health Hub, as  
18 described in subsection a. of section 6 of this act.

19 f. If more than one organization meets the criteria for  
20 designation as a Regional Health Hub in a prospective service  
21 region, the commissioner, in the commissioner's discretion, shall  
22 designate the organization that the commissioner determines will be  
23 best able to meet the needs of, and fulfill the purposes of this act  
24 within, the prospective service region.

25 g. Before approving an application to become a Regional  
26 Health Hub under this section, the commissioner shall review each  
27 of the boundary requests submitted by the applicant under  
28 paragraphs (6) and (7) of subsection d. of this section, and shall  
29 either approve the requests, as submitted by the applicant, or require  
30 the applicant to make appropriate modifications to the boundary  
31 requests as a precondition to their approval. If a boundary request  
32 cannot be modified as necessary to comply with the provisions of  
33 this act, the commissioner shall select another applicant to serve as  
34 the Regional Health Hub in the proposed service region.

35 h. A designated Regional Health Hub may submit an  
36 application to the commissioner, at any time, requesting the  
37 expansion of its core region. The commissioner shall approve the  
38 requested expansion if:

39 (1) the boundaries of the expanded core region will not overlap  
40 with the core region of another Regional Health Hub;

41 (2) the area would otherwise qualify for designation as a  
42 prospective service region under subsection b. of section 4 of this  
43 act; and

44 (3) the applicant demonstrates, to the commissioner's  
45 satisfaction, the applicant's ability to perform, in the requested  
46 expansion area, and within one year following submission of the  
47 application, the mandatory activities of a Regional Health Hub, as  
48 described in subsection a. of section 6 of this act.

1       5. a. The commissioner may revoke an organization’s status as  
2 a Regional Health Hub if the organization fails to perform the  
3 mandatory activities of a Regional Health Hub, as described in  
4 subsection a. of section 6 of this act.

5       b. Before revoking an organization’s status as a Regional  
6 Health Hub, the commissioner shall notify the organization of the  
7 potential revocation and provide a reasonable timeframe for  
8 corrective action.

9       c. The commissioner’s revocation of Regional Health Hub  
10 status shall be a final agency action for the purposes of the  
11 “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et  
12 seq.).

13       d. After revoking an organization’s status as a Regional Health  
14 Hub, the commissioner shall immediately determine whether a new  
15 Regional Health Hub is needed in the area where status was  
16 revoked. If such need is determined to exist, the commissioner  
17 shall designate a new Regional Health Hub to serve the area, as  
18 provided by subsection d. of section 4 of this act.

19

20       6. a. Each designated Regional Health Hub shall engage in the  
21 following mandatory activities:

22       (1) establish, operate, and maintain a health information  
23 platform that allows for population-level views and analytics, and  
24 patient-level health interventions. Unless annually exempted by the  
25 commissioner, each Regional Health Hub’s health information  
26 platform shall, to the extent practicable, be interoperable with all  
27 other Regional Health Hubs’ platforms, and with any other  
28 Statewide health information project designated by the  
29 commissioner;

30       (2) convene and obtain relevant input from community  
31 stakeholders within the Regional Health Hub’s core region. At a  
32 minimum, convening activities shall include quarterly opportunities  
33 for the active engagement and interaction of relevant stakeholders,  
34 including, but not limited to, managed care organizations, local and  
35 State government entities, health care and social service providers,  
36 community-based organizations, and local consumers of health  
37 care; (3) upon request, provide the department and other State  
38 agencies, including the Departments of Health, Children and  
39 Families, and Community Affairs, with information and feedback to  
40 assist the departments in program design, population analysis,  
41 strategic planning, and other appropriate functions; and

42       (4) engage in any other activity that the commissioner deems  
43 necessary to achieve the goals of this act.

44       b. Each designated Regional Health Hub shall be authorized to  
45 engage in the following activities as necessary either to further the  
46 Regional Health Hub’s goals or to comport with the provisions of a  
47 memorandum of understanding executed between the Regional  
48 Health Hub and the department pursuant to section 7 of this act:

- 1 (1) plan and execute population-level and patient-level health  
2 interventions;
  - 3 (2) establish, operate, and maintain, or partner with a third-party  
4 who will establish, operate, and maintain, a community resource  
5 inventory that is capable of referring and tracking the referral of  
6 community members to appropriate services;
  - 7 (3) perform a health needs assessment on all or part of the  
8 population in the Regional Health Hub's core region;
  - 9 (4) perform quality improvement activities based on population-  
10 level data and health needs assessment findings;
  - 11 (5) develop screening protocols that provide for a  
12 comprehensive risk assessment to determine a patient's need for  
13 follow-up and wrap-around services related to the social  
14 determinants of health;
  - 15 (6) facilitate the coordination, within the Regional Health Hub's  
16 core region, of health care and ancillary services related to the  
17 social determinants of health, including, but not limited to, food  
18 assistance services, legal services, and other social services, for  
19 high-need populations;
  - 20 (7) provide care management services to the entire population,  
21 or to underserved sub-populations, in the Regional Health Hub's  
22 core region;
  - 23 (8) submit an annual report to the commissioner describing the  
24 health needs in the Regional Health Hub's core region, identifying  
25 the Regional Health Hub's near and long-term health goals for the  
26 core region, and describing the activities that have been undertaken,  
27 and the progress that has been made, over the preceding year, by the  
28 Regional Health Hub and relevant stakeholders in the core region to  
29 improve the effectiveness or efficiency of the core region's health  
30 care system; and
  - 31 (9) engage in any other appropriate activity that the  
32 commissioner or Regional Health Hub deems relevant to the  
33 attainment of the Regional Health Hub's goals.
- 34 c. Nothing in this section shall be deemed to limit the activities  
35 that a Regional Health Hub may conduct on behalf of other State  
36 departments or funders.  
37
- 38 7. a. A Regional Health Hub may annually enter into a  
39 memorandum of understanding with the department, describing the  
40 Regional Health Hub's annual goals, and the elective activities that  
41 the Regional Health Hub will undertake during the upcoming fiscal  
42 year.
  - 43 b. In order to facilitate the annual execution of memoranda of  
44 understanding under this section, the department shall annually  
45 provide each Regional Health Hub with a list of the department's  
46 goals, projects, or priorities for the upcoming fiscal year.
  - 47 c. Any Regional Health Hub wishing to enter into a  
48 memorandum of understanding with the department shall first

1 convene an annual planning meeting of stakeholders within the  
2 Regional Health Hub's core region in order to identify potential  
3 goals, projects, and priorities for the core region. The convening of  
4 a meeting under this subsection may overlap with the Regional  
5 Health Hub's duties under paragraph (2) of subsection a. of section  
6 of this act.

7 d. When executing a memorandum of understanding under this  
8 section, the department and relevant Regional Health Hub shall  
9 negotiate joint goals, projects, and priorities for the upcoming fiscal  
10 year, and agree upon the associated funding that will be needed to  
11 accomplish those joint goals, projects, and priorities.

12 e. Each memorandum of understanding executed pursuant to  
13 this section shall include, at a minimum:

14 (1) a description of the joint goals, projects, and priorities  
15 agreed upon by the Regional Health Hub and the department for the  
16 upcoming fiscal year pursuant to subsection d. of this section;

17 (2) an indication of the amount of funding that will be needed to  
18 attain each joint goal, project, and priority identified in the  
19 memorandum of understanding, and an indication of the total  
20 amount of funding, overall, that will be needed to execute the  
21 memorandum of understanding;

22 (3) a description of the clear deliverables and performance  
23 metrics that will be used to evaluate and measure success in relation  
24 to the achievement of the goals, projects, and priorities described in  
25 the memorandum of understanding; and

26 (4) a description of performance-based payments, representing  
27 at least 10 percent but not more than 25 percent of the total funding  
28 needed to execute the memorandum of understanding, which  
29 payments will be tied to the achievement of the clear deliverables  
30 described in paragraph (3) of this subsection.

31

32 8. a. A health information platform operated pursuant to  
33 paragraph (1) of subsection a. of section 6 of this act shall contain  
34 detailed health data from the Regional Health Hub's core region,  
35 including macro-level analytics of broad population trends, and  
36 micro-level analytics of both individual health data, and disease  
37 trends by category of disease, age group, or other subset.

38 b. Each hospital in the State shall be required to submit  
39 pertinent patient data to the health information platform that is  
40 maintained by the Regional Health Hub operating in the same  
41 region of the State in which the hospital is located, or, if there is no  
42 Regional Health Hub operating in the region, to the health  
43 information platform that is maintained by the Regional Health Hub  
44 that is closest in geography to the hospital. The data submitted  
45 pursuant to this paragraph shall be provided on a real-time basis, to  
46 the extent practicable, and in no case, less frequently than daily.

47 c. Each managed care organization operating in the State shall  
48 be required to share all relevant health data with each health

1 information platform that is maintained in a region of the State in  
2 which the managed care organization provides services to patients.

3 d. The Departments of Human Services, Health, Children and  
4 Families, and Community Affairs shall be authorized to share with  
5 the health information platforms established, or the Regional Health  
6 Hubs designated, pursuant to this act, any available health data that  
7 is maintained by the departments.

8  
9 9. Any State department that implements a pilot program  
10 related to health care delivery shall be encouraged to consult with  
11 the Regional Health Hubs operating in the regions of the State that  
12 will be affected by the pilot program, in order to ensure that all  
13 relevant considerations have been accounted for, and that the pilot  
14 program is effectively and efficiently implemented with the  
15 assistance of all relevant stakeholders.

16  
17 10. In addition to utilizing any State-appropriated funding that  
18 supports Regional Health Hubs, the Commissioner of Human  
19 Services shall apply for such State plan amendments or waivers as  
20 may be necessary to implement the provisions of this act, and to  
21 secure federal financial participation for State Medicaid  
22 expenditures under the federal Medicaid program, and shall take  
23 such additional steps as may be necessary to secure, on behalf of  
24 participating Regional Health Hubs, such waivers, exemptions, or  
25 advisory opinions to ensure that such Regional Health Hubs are in  
26 compliance with applicable provisions of State and federal law  
27 related to fraud and abuse, including, but not limited to, anti-  
28 kickback, self-referral, false claim, and civil monetary penalty  
29 provisions.

30  
31 11. The Commissioner of Human Services shall adopt rules and  
32 regulations, pursuant to the "Administrative Procedure Act,"  
33 P.L.1968, c.410 (C.52:14B-1 et seq.), as may be necessary to  
34 implement the provisions of this act.

35  
36 12. This act shall take effect immediately.

37

38

39

STATEMENT

40

41 This bill would require the Department of Human Services  
42 (DHS) to establish a Regional Health Hub Program, and designate  
43 and certify Regional Health Hubs in appropriate areas of the State.  
44 The new Regional Health Hub Program will replace the Medicaid  
45 Accountable Care Organization Demonstration Project, established  
46 pursuant to P.L.2011, c.114 (C.30:4D-8.1 et seq.), which is now  
47 subject to expiration by law. Each Regional Health Hub will work  
48 to coordinate and improve the effectiveness and efficiency of health

1 care and wrap-around services, and the engagement and cooperation  
2 of relevant stakeholders, in the region of the State in which it  
3 operates.

4 The following certified accountable care organizations and  
5 accountable care look-alike organizations, which are operating in  
6 this State as of the bill's effective date, are to be grandfathered into  
7 the Regional Health Hub Program, and automatically designated  
8 and certified as Regional Health Hubs: 1) the Healthy Greater  
9 Newark ACO; 2) the Trenton Health Team; 3) the Camden  
10 Coalition of Health Care Providers; and 4) the Health Coalition of  
11 Passaic County.

12 The DHS, in consultation with the Department of Health (DOH),  
13 will also be authorized to designate and certify additional non-profit  
14 organizations to operate as Regional Health Hubs under the  
15 Regional Health Hub Program, as determined to be appropriate.

16 The bill requires the Commissioner of Human Services to  
17 designate and delineate the boundaries of each region of the State  
18 that is in need of a new Regional Health Hub. The commissioner's  
19 delineation of prospective service regions is to be based on the  
20 following factors: 1) the availability of State and federal funding  
21 necessary to support the new Regional Health Hub, and the State's  
22 ability to provide necessary funding without negatively impacting  
23 the operation and effectiveness of other Regional Health Hubs in  
24 the State; 2) the number and density of Medicaid beneficiaries in  
25 the region; 3) the existence, in the region, of multiple health and  
26 social service systems of care that are in need of convening and  
27 coordination; and 4) the volume, in the region, of avoidable  
28 inpatient hospital admissions and emergency department visits.  
29 Based on the analysis of these factors, the commissioner may  
30 designate any county, zip code, or group of zip codes in the State as  
31 a prospective service region. However, the boundaries of any  
32 prospective service region may not include any portion of a core  
33 region served by another Regional Health Hub.

34 Once an area has been designated by the commissioner as a  
35 prospective service region, the commissioner will be required to  
36 solicit and review applications from qualified non-profit  
37 organizations that wish to be designated and certified as the new  
38 Regional Health Hub for the prospective region. The commissioner  
39 will only be authorized to designate and certify an organization as a  
40 new Regional Health Hub if the organization is a registered New  
41 Jersey non-profit organization exempt from federal taxation under  
42 26 U.S.C. s.501(c)3, and the organization submits a request  
43 identifying the proposed boundaries of the Regional Health Hub's  
44 anticipated core region, and an additional request identifying the  
45 proposed boundaries of the Regional Health Hub's anticipated data  
46 catchment area. If more than one organization meets the criteria for  
47 designation as a Regional Health Hub in a prospective service  
48 region, the commissioner will be required to use his or her

1 discretion to designate the organization that the commissioner  
2 determines will be best able to meet the needs of, and fulfill the  
3 bill's purposes within, the prospective service region.

4 Within 180 days after an organization is approved to operate as a  
5 Regional Health Hub, the organization will be required to:

6 1) establish and maintain a headquarters within the boundaries  
7 of the core region;

8 2) establish and convene an advisory committee of persons who  
9 reside or work in the core region, which committee is to include  
10 community members and representatives from organizations that  
11 exemplify the diversity of geography, gender, disability, age, sexual  
12 orientation, veterans' status, and prevalent health conditions in the  
13 core region;

14 3) establish and convene a governing board that includes  
15 members from a majority of the following groups and entities, to  
16 the extent that such groups and entities are present in the core  
17 region: (a) hospitals or hospital systems; (b) Federally Qualified  
18 Health Centers; (c) private clinicians, including physicians and  
19 nurses; (d) community-based organizations such as behavioral  
20 health providers and social service agencies; (e) managed care  
21 organizations; (f) the Regional Health Hub's advisory committee,  
22 established pursuant to the bill; and (g) health care consumers; and

23 4) demonstrate, to the commissioner's satisfaction, the ability  
24 to perform the mandatory functions of a Regional Health Hub, as  
25 described in subsection a. of section 6 of this act.

26 Each designated Regional Health Hub will be required to engage  
27 in the following mandatory activities:

28 1) establish, operate, and maintain a health information  
29 platform that allows for population-level views and analytics, and  
30 for patient-level health interventions, which platform is  
31 interoperable with all other Regional Health Hubs' platforms, and  
32 with any other Statewide health information project designated by  
33 the commissioner. (Hospitals and managed care organizations will  
34 be required, and State departments will be authorized, to submit  
35 health care data to the platforms that are maintained by the  
36 Regional Health Hubs);

37 2) convene and obtain relevant input from community  
38 stakeholders within the Regional Health Hub's core region. At a  
39 minimum, convening activities are to include quarterly  
40 opportunities for the active engagement and interaction of relevant  
41 stakeholders, including, but not limited to, managed care  
42 organizations, local and State government entities, health care and  
43 social service providers, community-based organizations, and local  
44 consumers of health care;

45 3) upon request, provide the DHS and other State agencies,  
46 including the Departments of Health, Children and Families, and  
47 Community Affairs, with information and feedback to assist the  
48 departments in program design, population analysis, strategic

1 planning, and other appropriate functions; and

2 4) engage in any other activity that the Commissioner of  
3 Human Services deems necessary to achieve the bill's goals.

4 Each designated Regional Health Hub will also be authorized to  
5 engage in the certain discretionary activities as necessary either to  
6 further the Regional Health Hub's goals or to comport with the  
7 provisions of an annual memorandum of understanding (MOU)  
8 voluntarily executed between, and espousing the joint goals,  
9 projects, and priorities, of, the Regional Health Hub and the  
10 department. Each MOU executed under the bill will be required to  
11 include, at a minimum: 1) a description of the joint goals, projects,  
12 and priorities agreed upon by the Regional Health Hub and the  
13 department for the upcoming fiscal year; 2) an indication of the  
14 amount of funding that will be needed to attain each joint goal,  
15 project, and priority, and an indication of the total amount of  
16 funding, overall, that will needed to execute the MOU; 3) a  
17 description of the clear deliverables and performance metrics that  
18 will be used to evaluate and measure success in relation to the  
19 achievement of the goals, projects, and priorities described in the  
20 MOU; and 4) a description of performance-based payments,  
21 representing at least 10 percent but not more than 25 percent of the  
22 total funding needed to execute the MOU, which payments will be  
23 tied to the achievement of the clear deliverables described in the  
24 MOU.

25 The bill would authorize a designated Regional Health Hub to  
26 apply to the commissioner, at any time, for an expansion of its core  
27 region. The commissioner will be required to approve the requested  
28 expansion if: 1) the boundaries of the expanded core region will  
29 not overlap with the core region of another Regional Health Hub; 2)  
30 the area would otherwise qualify for designation as a prospective  
31 service region; and 3) the applicant demonstrates the ability to  
32 perform, in the requested expansion area, and within one year  
33 following submission of the application, the mandatory activities of  
34 a Regional Health Hub, as described in the bill.

35 The commissioner will be authorized to revoke an organization's  
36 status as a Regional Health Hub if the organization fails to perform  
37 the mandatory activities required by the bill. After revoking an  
38 organization's status as a Regional Health Hub, the commissioner  
39 will be required to immediately determine whether a new Regional  
40 Health Hub is needed in the area and, if deemed appropriate,  
41 designate a new Regional Health Hub to serve the area.

42 Any State department that implements a pilot program related to  
43 health care delivery will be encouraged to consult with the Regional  
44 Health Hubs operating in the regions of the State that will be  
45 affected by the pilot program, in order to ensure that all relevant  
46 considerations have been accounted for, and that the pilot program  
47 is effectively and efficiently implemented with the assistance of all  
48 relevant stakeholders.



# ASSEMBLY HEALTH AND SENIOR SERVICES COMMITTEE

## STATEMENT TO

### **ASSEMBLY, No. 5977**

with committee amendments

# **STATE OF NEW JERSEY**

DATED: DECEMBER 5, 2019

The Assembly Health and Senior Services Committee reports favorably and with committee amendments Assembly Bill No. 5977.

As amended, this bill would require the Department of Human Services (DHS) to establish a Regional Health Hub Program, and designate Regional Health Hubs in appropriate areas of the State. The new Regional Health Hub Program will replace the Medicaid Accountable Care Organization Demonstration Project, established pursuant to P.L.2011, c.114 (C.30:4D-8.1 et seq.), which is now subject to expiration by law. Each Regional Health Hub will work to coordinate and improve the effectiveness and efficiency of health care and wrap-around services, and the engagement and cooperation of relevant stakeholders, in the region of the State in which it operates.

The following certified accountable care organizations and accountable care look-alike organizations, which are operating in this State as of the bill's effective date, are to be grandfathered into the Regional Health Hub Program, and automatically designated as Regional Health Hubs: 1) the Healthy Greater Newark ACO; 2) the Trenton Health Team; 3) the Camden Coalition of Health Care Providers; and 4) the Health Coalition of Passaic County.

The DHS will also be authorized to designate additional non-profit organizations to operate as Regional Health Hubs under the Regional Health Hub Program, as determined to be appropriate.

The bill requires the Commissioner of Human Services to designate and delineate the boundaries of each region of the State that is in need of a new Regional Health Hub within six months of the effective dates of the bill. The commissioner's delineation of prospective service regions is to be based on the following factors: 1) the availability of State and federal funding necessary to support the new Regional Health Hub, and the State's ability to provide necessary funding; 2) the number and density of Medicaid beneficiaries in the region; 3) the existence, in the region, of multiple health and social service systems of care that are in need of convening and coordination; and 4) the volume, in the region, of avoidable inpatient hospital admissions and emergency department visits. Based on the analysis of these factors, the commissioner

may designate any county, zip code, or group of zip codes in the State as a prospective service region. However, the boundaries of any prospective service region may not overlap with any portion of a core region served by another Regional Health Hub.

Once an area has been designated by the commissioner as a prospective service region, the commissioner will be required to evaluate organizations for designation as the new Regional Health Hub for the prospective region. The commissioner will only be authorized to designate an organization as a new Regional Health Hub if the organization: is a registered New Jersey non-profit organization exempt from federal taxation under 26 U.S.C. s.501(c)3; submits a request identifying the proposed boundaries of the Regional Health Hub's anticipated core region; submits a request identifying the proposed boundaries of the Regional Health Hub's anticipated data catchment area; and demonstrates, to the commissioner's satisfaction, the ability to perform the mandatory functions of a Regional Health Hub, as identified in the bill. If more than one organization meets the criteria for designation as a Regional Health Hub in a prospective service region, the commissioner will be required to use his or her discretion to designate the organization that the commissioner determines will be best able to meet the needs of, and fulfill the bill's purposes within, the prospective service region.

Within 180 days after an organization is approved to operate as a Regional Health Hub, the organization will be required to:

- 1) establish and maintain a headquarters within the boundaries of the core region;
- 2) establish and convene an advisory committee of persons who reside or work in the core region, which committee is to include community members and representatives from organizations that exemplify the diversity of geography, gender, disability, age, sexual orientation, veterans' status, and prevalent health conditions in the core region; and
- 3) establish and convene a governing board that includes members from a majority of the following groups and entities, to the extent that such groups and entities are present in the core region: (a) hospitals or hospital systems; (b) Federally Qualified Health Centers; (c) private clinicians, including physicians and nurses; (d) community-based organizations such as behavioral health providers and social service agencies; (e) managed care organizations; (f) the Regional Health Hub's advisory committee, established pursuant to the bill; and (g) health care consumers.

Each designated Regional Health Hub will be required to engage in the following mandatory activities:

- 1) establish, operate, and maintain a health information platform that allows for population-level views and analytics, and for patient-level health interventions, which platform is

interoperable with all other Regional Health Hubs' platforms, and with any other Statewide health information platform designated by the commissioner;

2) convene and obtain relevant input from community stakeholders within the Regional Health Hub's core region. At a minimum, convening activities are to include quarterly opportunities for the active engagement and interaction of relevant stakeholders, including, but not limited to, managed care organizations, local and State government entities, health care and social service providers, community-based organizations, and local consumers of health care;

3) upon request, provide the department and other State agencies, including the Departments of Health, Children and Families, and Community Affairs, with information and feedback to assist the departments in program design, population analysis, strategic planning, and other appropriate functions; and

4) engage in any other activity that the Commissioner of Human Services deems necessary to achieve the bill's goals.

Each designated Regional Health Hub will also be authorized to engage in the certain discretionary activities as necessary either to further the Regional Health Hub's goals or to comport with the provisions of the proposal submitted by the Regional Health Hub to the department, as required under the bill. Each proposal approved under the bill will be required to include, at a minimum: 1) a description of the joint goals, projects, and priorities agreed upon by the Regional Health Hub and the department for the upcoming fiscal year; 2) an indication of the amount of funding that will be needed to attain each joint goal, project, and priority, and an indication of the total amount of funding, overall, that will be needed to execute the proposal; 3) a description of the clear deliverables and performance metrics that will be used to evaluate and measure success in relation to the achievement of the goals, projects, and priorities described in the proposal; and 4) a description of performance-based payments, which are required to be tied to the achievement of the clear deliverables and performance metrics in the proposal. Each year, at least 10 percent, but no more than 25 percent of the total funding provided by the department to each Regional Health Hub will be contingent upon the Regional Health Hub's achievement of such deliverables and performance metrics. Determination of whether a Regional Health Hub has achieved such deliverables and performance metrics is at the sole discretion of the department.

The bill would authorize a designated Regional Health Hub to apply to the commissioner, at any time, for an expansion of its core region. The commissioner may approve the requested expansion if: 1) the boundaries of the expanded core region will not overlap with the core region of another Regional Health Hub; 2) the area would

otherwise qualify for designation as a prospective service region; and 3) the applicant demonstrates the ability to perform, in the requested expansion area, and within one year following submission of the application, the mandatory activities of a Regional Health Hub, as described in the bill.

The commissioner will be authorized to revoke an organization's status as a Regional Health Hub if the organization fails to perform the mandatory activities required by the bill. After revoking an organization's status as a Regional Health Hub, the commissioner will be required to immediately determine whether a new Regional Health Hub is needed in the area and, if deemed appropriate, designate a new Regional Health Hub to serve the area.

Under the bill, a Regional Health Hub may be funded in part by the department, in accordance with the provisions of the annual appropriations act; however the funding appropriated in the fiscal year 2020 appropriations act is not subject to the provisions of the bill. In addition to such funding, the commissioner has the discretion to support a Regional Health Hub's innovation projects that advance Medicaid priorities using other available dollars as appropriate. A Regional Health Hub is to not receive funding until the Regional Health Hub has submitted an annual proposal, as described in the bill.

Any State department that implements a pilot program related to health care delivery will be encouraged to consult with the Regional Health Hubs operating in the regions of the State that will be affected by the pilot program, in order to ensure that all relevant considerations have been accounted for, and that the pilot program is effectively and efficiently implemented with the assistance of all relevant stakeholders.

#### COMMITTEE AMENDMENTS

The committee amendments:

- clarify that the Department of Human Services is only required to designate Regional Health Hubs in appropriate areas of the State, rather than designate and certify;
- impose a timeframe, specifically within six months of the effective date of the bill, in which the Commissioner of Human Services is required to designate and delineate the boundaries of each region of the State that is in need of a new Regional Health Hub;
- require a Regional Health Hub to demonstrate the ability to perform the mandatory functions of a Regional Health Hub, as described in the bill, in order to be designated by the department. As introduced, Regional Health Hubs do not need to comply with this requirement until the organization is approved to operate as a Regional Health Hub by the department;

- replace provisions regarding an elective memorandum of understanding that Regional Health Hubs may enter into with the department with a mandatory proposal that Regional Health Hubs are to submit to the department on an annual basis;
- add provisions permitting that the Regional Health Hubs may be funded in part by the department, in accordance with the annual appropriations act; however the funding appropriated in the fiscal year 2020 appropriations act is not subject to the provisions of the bill;
- remove provisions requiring managed care organizations and hospitals to share certain data with Regional Health Hubs;
- require each Regional Health Hub to maintain a data sharing use and reciprocal support agreement, and any applicable use case agreement, with any Statewide health information platform designated by the commissioner in order to promote interoperability;
- require the department, when consistent with federal and State law, to make available NJ FamilyCare claims data for beneficiaries residing within the Regional Health Hub's data catchment area to a Regional Health Hub and to enter into appropriate data sharing agreements for the exchange of such data. The data catchment area is to include, but need not be limited to, the Regional Health Hub's core region, and may overlap with the data catchment areas for other Regional Health Hubs; and
- update various references in the bill to clarify its scope and intent.

# ASSEMBLY APPROPRIATIONS COMMITTEE

## STATEMENT TO

[First Reprint]

**ASSEMBLY, No. 5977**

# **STATE OF NEW JERSEY**

DATED: DECEMBER 12, 2019

The Assembly Appropriations Committee reports favorably Assembly Bill No. 5977 (1R).

This bill would require the Department of Human Services (DHS) to establish a Regional Health Hub Program, and designate Regional Health Hubs in appropriate areas of the State. The new Regional Health Hub Program will replace the Medicaid Accountable Care Organization Demonstration Project, established pursuant to P.L.2011, c.114 (C.30:4D-8.1 et seq.), which is now subject to expiration by law. Each Regional Health Hub will work to coordinate and improve the effectiveness and efficiency of health care and wrap-around services, and the engagement and cooperation of relevant stakeholders, in the region of the State in which it operates.

The following certified accountable care organizations and accountable care look-alike organizations, which are operating in this State as of the bill's effective date, are to be grandfathered into the Regional Health Hub Program, and automatically designated as Regional Health Hubs: 1) the Healthy Greater Newark ACO; 2) the Trenton Health Team; 3) the Camden Coalition of Health Care Providers; and 4) the Health Coalition of Passaic County.

The DHS will also be authorized to designate additional non-profit organizations to operate as Regional Health Hubs under the Regional Health Hub Program, as determined to be appropriate.

The bill requires the Commissioner of Human Services to designate and delineate the boundaries of each region of the State that is in need of a new Regional Health Hub within six months of the effective dates of the bill. The commissioner's delineation of prospective service regions is to be based on the following factors: 1) the availability of State and federal funding necessary to support the new Regional Health Hub, and the State's ability to provide necessary funding; 2) the number and density of Medicaid beneficiaries in the region; 3) the existence, in the region, of multiple health and social service systems of care that are in need of convening and coordination; and 4) the volume, in the region, of avoidable inpatient hospital admissions and emergency department visits. Based on the analysis of these factors, the commissioner may designate any county, zip code, or group of zip codes in the State as a prospective service region.

However, the boundaries of any prospective service region may not overlap with any portion of a core region served by another Regional Health Hub.

Once an area has been designated by the commissioner as a prospective service region, the commissioner will be required to evaluate organizations for designation as the new Regional Health Hub for the prospective region. The commissioner will only be authorized to designate an organization as a new Regional Health Hub if the organization: is a registered New Jersey non-profit organization exempt from federal taxation under 26 U.S.C. s.501(c)3; submits a request identifying the proposed boundaries of the Regional Health Hub's anticipated core region; submits a request identifying the proposed boundaries of the Regional Health Hub's anticipated data catchment area; and demonstrates, to the commissioner's satisfaction, the ability to perform the mandatory functions of a Regional Health Hub, as identified in the bill. If more than one organization meets the criteria for designation as a Regional Health Hub in a prospective service region, the commissioner will be required to use his or her discretion to designate the organization that the commissioner determines will be best able to meet the needs of, and fulfill the bill's purposes within, the prospective service region.

Within 180 days after an organization is approved to operate as a Regional Health Hub, the organization will be required to:

- 1) establish and maintain a headquarters within the boundaries of the core region;
- 2) establish and convene an advisory committee of persons who reside or work in the core region, which committee is to include community members and representatives from organizations that exemplify the diversity of geography, gender, disability, age, sexual orientation, veterans' status, and prevalent health conditions in the core region; and
- 3) establish and convene a governing board that includes members from a majority of the following groups and entities, to the extent that such groups and entities are present in the core region: (a) hospitals or hospital systems; (b) Federally Qualified Health Centers; (c) private clinicians, including physicians and nurses; (d) community-based organizations such as behavioral health providers and social service agencies; (e) managed care organizations; (f) the Regional Health Hub's advisory committee, established pursuant to the bill; and (g) health care consumers.

Each designated Regional Health Hub will be required to engage in the following mandatory activities:

- 1) establish, operate, and maintain a health information platform that allows for population-level views and analytics, and for patient-level health interventions, which platform is interoperable with all other Regional Health Hubs' platforms, and with any other Statewide health information platform designated by the commissioner;

2) convene and obtain relevant input from community stakeholders within the Regional Health Hub's core region. At a minimum, convening activities are to include quarterly opportunities for the active engagement and interaction of relevant stakeholders, including, but not limited to, managed care organizations, local and State government entities, health care and social service providers, community-based organizations, and local consumers of health care;

3) upon request, provide the department and other State agencies, including the Departments of Health, Children and Families, and Community Affairs, with information and feedback to assist the departments in program design, population analysis, strategic planning, and other appropriate functions; and

4) engage in any other activity that the Commissioner of Human Services deems necessary to achieve the bill's goals.

Each designated Regional Health Hub will also be authorized to engage in the certain discretionary activities as necessary either to further the Regional Health Hub's goals or to comport with the provisions of the proposal submitted by the Regional Health Hub to the department, as required under the bill. Each proposal approved under the bill will be required to include, at a minimum: 1) a description of the joint goals, projects, and priorities agreed upon by the Regional Health Hub and the department for the upcoming fiscal year; 2) an indication of the amount of funding that will be needed to attain each joint goal, project, and priority, and an indication of the total amount of funding, overall, that will be needed to execute the proposal; 3) a description of the clear deliverables and performance metrics that will be used to evaluate and measure success in relation to the achievement of the goals, projects, and priorities described in the proposal; and 4) a description of performance-based payments, which are required to be tied to the achievement of the clear deliverables and performance metrics in the proposal. Each year, at least 10 percent, but no more than 25 percent of the total funding provided by the department to each Regional Health Hub will be contingent upon the Regional Health Hub's achievement of such deliverables and performance metrics. Determination of whether a Regional Health Hub has achieved such deliverables and performance metrics is at the sole discretion of the department.

The bill would authorize a designated Regional Health Hub to apply to the commissioner, at any time, for an expansion of its core region. The commissioner may approve the requested expansion if: 1) the boundaries of the expanded core region will not overlap with the core region of another Regional Health Hub; 2) the area would otherwise qualify for designation as a prospective service region; and 3) the applicant demonstrates the ability to perform, in the requested expansion area, and within one year following submission of the application, the mandatory activities of a Regional Health Hub, as described in the bill.



The commissioner will be authorized to revoke an organization's status as a Regional Health Hub if the organization fails to perform the mandatory activities required by the bill. After revoking an organization's status as a Regional Health Hub, the commissioner will be required to immediately determine whether a new Regional Health Hub is needed in the area and, if deemed appropriate, designate a new Regional Health Hub to serve the area.

Under the bill, a Regional Health Hub may be funded in part by the department, in accordance with the provisions of the annual appropriations act; however the funding appropriated in the fiscal year 2020 appropriations act is not subject to the provisions of the bill. In addition to such funding, the commissioner has the discretion to support a Regional Health Hub's innovation projects that advance Medicaid priorities using other available dollars as appropriate. A Regional Health Hub is to not receive funding until the Regional Health Hub has submitted an annual proposal, as described in the bill.

Any State department that implements a pilot program related to health care delivery will be encouraged to consult with the Regional Health Hubs operating in the regions of the State that will be affected by the pilot program, in order to ensure that all relevant considerations have been accounted for, and that the pilot program is effectively and efficiently implemented with the assistance of all relevant stakeholders.

**FISCAL IMPACT:**

The Office of Legislative Services (OLS) estimates that this bill would increase State Medicaid expenditures for services provided to Medicaid beneficiaries by the newly-created Regional Health Hubs, which would replace the New Jersey Medicaid Accountable Care Organizations, established pursuant to P.L.2011, c.114 (C.30:4D-8.1 et seq.). Since State Medicaid expenditures are matched by federal funds, the OLS estimates that the bill would increase State revenues as well. The State's ability to claim federal Medicaid matching funds hinges on federal approval of these Medicaid state plan amendments or Medicaid waivers filed with the Centers for Medicare and Medicaid Services (CMS). Without access to detailed claims data for the services provided by the currently operating ACOs, the OLS cannot determine the magnitude of the increase in State costs under the bill, nor the magnitude of the increase in State revenues.

# SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

[First Reprint]

## ASSEMBLY, No. 5977

with committee amendments

# STATE OF NEW JERSEY

DATED: JANUARY 6, 2020

The Senate Budget and Appropriations Committee reports favorably and with committee amendments Assembly Bill No. 5977 (1R).

As amended, this bill requires the Department of Human Services (DHS) to establish a Regional Health Hub Program and, in consultation with the Department of Health, designate Regional Health Hubs in appropriate areas of the State. The new Regional Health Hub Program will replace the Medicaid Accountable Care Organization Demonstration Project, established pursuant to P.L.2011, c.114 (C.30:4D-8.1 et seq.), which is now subject to expiration by law. Each Regional Health Hub will work to coordinate and improve the effectiveness and efficiency of health care and wrap-around services, and the engagement and cooperation of relevant stakeholders, in the region of the State in which it operates.

The following certified accountable care organizations (ACOs) and accountable care look-alike organizations, which are currently operating in New Jersey, will be grandfathered into the Regional Health Hub Program and automatically designated as Regional Health Hubs: 1) the Healthy Greater Newark ACO; 2) the Trenton Health Team; 3) the Camden Coalition of Health Care Providers; and 4) the Health Coalition of Passaic County.

The DHS will also be authorized to designate and certify additional non-profit organizations to operate as Regional Health Hubs under the Regional Health Hub Program, as determined to be appropriate.

The bill requires the Commissioner of Human Services, in consultation with the Commissioner of Health, to designate and delineate the boundaries of each region of the State that is in need of a new Regional Health Hub within six months after the effective date of the bill. The commissioner's delineation of prospective service regions is to be based on the following factors: 1) the availability of State and federal funding necessary to support the new Regional Health Hub, and the State's ability to provide necessary funding; 2) the number and density of Medicaid beneficiaries in the region; 3) the existence, in the region, of multiple health and social service systems

of care that are in need of convening and coordination; and 4) the volume, in the region, of avoidable inpatient hospital admissions and emergency department visits. Based on the analysis of these factors, the commissioner may designate any county, zip code, or group of zip codes in the State as a prospective service region. However, the boundaries of any prospective service region may not include any portion of a core region served by another Regional Health Hub.

Once an area has been designated by the commissioner as a prospective service region, the commissioner will be required to evaluate organizations for designation as the new Regional Health Hub for the prospective region. The commissioner will only be authorized to designate an organization as a new Regional Health Hub if the organization: is a registered New Jersey non-profit organization exempt from federal taxation under 26 U.S.C. s.501(c)3; submits a request identifying the proposed boundaries of the Regional Health Hub's anticipated core region; submits a request identifying the proposed boundaries of the Regional Health Hub's anticipated data catchment area; and demonstrates the ability to perform the mandatory functions of a Regional Health Hub. If more than one organization meets the criteria for designation as a Regional Health Hub in a prospective service region, designation of the Regional Health Hub will be at the commissioner's discretion based on a determination as to which organization will be best able to meet the needs of, and fulfill the bill's purposes within, the prospective service region.

Within 180 days after an organization is approved to operate as a Regional Health Hub, the organization will be required to:

- 1) establish and maintain a headquarters within the boundaries of the core region;
- 2) establish and convene an advisory committee of persons who reside or work in the core region, which committee is to include community members and representatives from organizations that exemplify the diversity of geography, gender, disability, age, sexual orientation, veterans' status, and prevalent health conditions in the core region; and
- 3) establish and convene a governing board that includes members from a majority of the following groups and entities, to the extent that such groups and entities are present in the core region: (a) hospitals or hospital systems; (b) Federally Qualified Health Centers; (c) private clinicians, including physicians and nurses; (d) community-based organizations such as behavioral health providers and social service agencies; (e) managed care organizations; (f) the Regional Health Hub's advisory committee established under the bill; and (g) health care consumers.

Each designated Regional Health Hub will be required to engage in the following mandatory activities:

- 1) establish, operate, and maintain a health information platform that allows for population-level views and analytics, and for patient-

level health interventions, which platform is interoperable with all other Regional Health Hubs' platforms, and with any other Statewide health information project designated by the commissioner;

2) convene and obtain relevant input from community stakeholders within the Regional Health Hub's core region. At a minimum, convening activities are to include quarterly opportunities for the active engagement and interaction of relevant stakeholders, including, but not limited to, managed care organizations, local and State government entities, health care and social service providers, community-based organizations, and local consumers of health care;

3) upon request, provide the DHS and other State agencies, including the Departments of Health, Children and Families, and Community Affairs, with information and feedback to assist the departments in program design, population analysis, strategic planning, and other appropriate functions; and

4) engage in any other activity that the Commissioner of Human Services deems necessary to achieve the bill's goals.

Each designated Regional Health Hub will also be authorized to engage in certain discretionary activities as necessary either to further the Regional Health Hub's goals or to comport with the provisions of an annual proposal submitted by each Regional Health Hub espousing its goals, projects, and priorities for the year. Regional Health Hub proposals are subject to approval by the DHS. Proposals will be required to include, at a minimum: 1) a description of the joint goals, projects, and priorities agreed upon by the Regional Health Hub and the department for the upcoming fiscal year; 2) an indication of the amount of funding that will be needed to attain each joint goal, project, and priority, and an indication of the total amount of funding, overall, that will be needed to execute the proposal; 3) a description of the clear deliverables and performance metrics that will be used to evaluate and measure success in relation to the achievement of the goals, projects, and priorities described in the proposal; and 4) a description of performance-based payments that will be tied to achieving deliverables and performance metrics, with a requirement that, each year, between 10 percent and 25 percent of the total funding provided by DHS to the Regional Health Hub will be made contingent on the hub achieving deliverables and performance metrics. The determination as to whether a Regional Health Hub has achieved its deliverables and performance metrics will be at the sole discretion of the DHS.

Regional Health Hubs may be funded through the annual appropriations act, as well as through other sources, such as funds available to advance Medicaid priorities using innovation projects.

The bill authorizes a designated Regional Health Hub to apply to the commissioner, at any time, for an expansion of its core region. The commissioner will be required to approve the requested expansion if: 1) the boundaries of the expanded core region will not overlap with the core region of another Regional Health Hub; 2) the area would

otherwise qualify for designation as a prospective service region; and 3) the applicant demonstrates the ability to perform as a Regional Health Hub in the requested expansion area.

Regional Health Hubs are to maintain a data sharing use and reciprocal support agreement with any Statewide health information platform designated by the commissioner. The DHS is to make NJ FamilyCare claims data available to Regional Health Hubs to facilitate, among other tasks, population health work.

The commissioner will be authorized to revoke an organization's status as a Regional Health Hub if the organization fails to perform the mandatory activities required by the bill. After revoking an organization's status as a Regional Health Hub, the commissioner will be required to immediately determine whether a new Regional Health Hub is needed in the area and, if deemed appropriate, designate a new Regional Health Hub to serve the area.

Any State department that implements a pilot program related to health care delivery will be encouraged to consult with the Regional Health Hubs operating in the regions of the State that will be affected by the pilot program, in order to ensure that all relevant considerations have been accounted for, and that the pilot program is effectively and efficiently implemented with the assistance of all relevant stakeholders.

As reported by the committee with amendments, Assembly Bill No. 5977 (1R) is identical to Senate Bill 4282 (1R), which the committee also reported on this date with amendments.

#### COMMITTEE AMENDMENTS:

The committee amendments require the Commissioner of Human Services to consult with the Commissioner of Health when designating additional organizations to serve as Regional Health Hubs and when designating and delineating the boundaries of regions in the State that are in need for new Regional Health Hubs.

#### FISCAL IMPACT:

The Office of Legislative Services (OLS) estimates that this bill would increase State Medicaid expenditures for services provided to Medicaid beneficiaries by the newly-created Regional Health Hubs, which would replace the New Jersey Medicaid Accountable Care Organizations, established pursuant to P.L.2011, c.114 (C.30:4D-8.1 et seq.). Since State Medicaid expenditures are matched by federal funds, the OLS estimates that the bill would increase State revenues as well. The State's ability to claim federal Medicaid matching funds hinges on federal approval of these Medicaid state plan amendments or Medicaid waivers filed with the Centers for Medicare and Medicaid Services (CMS). Without access to detailed claims data for the services provided by the currently operating ACOs, the OLS cannot

determine the magnitude of the increase in State costs under the bill, nor the magnitude of the increase in State revenues.

In addition, the bill authorizes the DHS to fund certain Regional Health Hub activities in accordance with the provisions of the annual appropriations act. Under the bill, anywhere from ten percent to 25 percent of funds appropriated by the department for a Regional Health Hub will be based on the Regional Health Hub's attainment of predetermined goals and performance metrics, as specified in an annual agreement negotiated between the commissioner and the Regional Health Hub. Because the activities specified in the annual agreement, and the cost of these activities, will vary by Regional Health Hub and by year, the OLS cannot determine the precise annual cost of these performance-based activities at this time.

The bill also specifies that funding for the Regional Health Hubs included in the Fiscal Year 2020 Appropriations Act is not subject to the provisions of the bill. Therefore, any additional funds required to fulfill the Regional Health Hubs' mandate in FY 2020 would require a supplemental appropriation.

# LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

**ASSEMBLY, No. 5977**

## **STATE OF NEW JERSEY 218th LEGISLATURE**

DATED: DECEMBER 17, 2019

### **SUMMARY**

- Synopsis:** Provides for establishment of Regional Health Hub Program as replacement to Accountable Care Organization Demonstration Project, and designates existing accountable care organizations and look-alike organizations as Regional Health Hubs.
- Type of Impact:** Increase in State expenditures and revenue.
- Agencies Affected:** Department of Human Services.

<b>Fiscal Impact</b>	<b><u>Annual</u></b>
<b>State Cost Increase</b>	Indeterminate
<b>State Revenue Increase</b>	Indeterminate

- The Office of Legislative Services (OLS) estimates that this bill would increase State Medicaid expenditures for care provided to Medicaid beneficiaries by newly created Regional Health Hubs, which will replace the New Jersey Medicaid Accountable Care Organization (ACO) Demonstration Project, authorized pursuant to a 2011 law. Since State Medicaid expenditures are matched by federal funds, the OLS estimates that the bill would increase State revenues. However, without access to detailed claims data for the services provided by the Regional Health Hubs, the OLS cannot determine the magnitude of the increase in State costs under the bill, nor the amount of the increase in State revenues.
- In addition, the bill authorizes the Department of Human Services (DHS) to fund certain Regional Health Hub activities in accordance with the provisions of the annual appropriations act. Under the bill, anywhere from ten percent to 25 percent of funds appropriated by the department for a Regional Health Hub will be based on the Regional Health Hub's attainment of predetermined goals and performance metrics, as specified in an annual agreement negotiated between the commissioner and the Regional Health Hub. Because the activities specified in the annual agreement, and the cost of these activities, will vary by Regional Health Hub and by year, the OLS cannot determine the precise annual cost of these performance-based activities at this time.

- The bill also specifies that funding for the Regional Health Hubs included in the Fiscal Year 2020 Appropriations Act is not subject to the provisions of the bill. Therefore, any additional funds required to fulfill the Regional Health Hubs' mandate in FY 2020 would require a supplemental appropriation.

## **BILL DESCRIPTION**

This bill would require the DHS to establish a Regional Health Hub Program, and designate Regional Health Hubs in appropriate areas of the State. The new Regional Health Hub Program will replace the Medicaid ACO Demonstration Project, established pursuant to P.L.2011, c.114 (C.30:4D-8.1 et seq.), which is now subject to expiration by law. Each Regional Health Hub will work to coordinate and improve the effectiveness and efficiency of health care and wrap-around services, as well as the engagement and cooperation of relevant stakeholders, in the region of the State in which it operates.

The bill delineates the ACOs and ACO look-alike organizations, which currently operate in the State, that are to be grandfathered into the Regional Health Hub Program, and automatically designated as Regional Health Hubs. The legislation authorizes the DHS to designate, as needed, additional non-profit organizations to operate as Regional Health Hubs under the Regional Health Hub Program.

Within six months of the bill's effective date, the Commissioner of Human Services will designate and delineate the boundaries of each region of the State that is in need of a new Regional Health Hub. The commissioner's delineation of prospective service regions is to be based on factors specified in this bill. Based on an analysis of these factors, the commissioner is authorized to designate any county, zip code, or group of zip codes in the State as a prospective service region. However, the bill stipulates that the boundaries of any prospective service region are not to overlap with any portion of a region served by another Regional Health Hub.

After the commissioner has designated an area as a prospective service region, the commissioner will evaluate organizations for designation as the Regional Health Hub for the prospective region. To be considered for designation as a new Regional Health Hub, organizations must meet certain criteria as identified in the bill. If more than one organization meets the criteria for designation as a Regional Health Hub in a prospective service region, the commissioner will be required to use his or her discretion to designate the organization that the commissioner determines will be best able to meet the needs of, and fulfill the bill's purposes within, the prospective service region.

Within 180 days after an organization is approved to operate as a Regional Health Hub, the organization will have to meet certain requirements delineated in this legislation.

Each designated Regional Health Hub will be required to engage in mandatory activities delineated in the bill. Also, the designated Regional Health Hub will be authorized to engage in the certain discretionary activities as necessary either to further the Regional Health Hub's goals or to comport with the provisions of the proposal submitted by the Regional Health Hub to the department. Each proposal will be required to include certain information as specified in the bill. Each year, at least 10 percent, but no more than 25 percent of the total funding provided by the department to each Regional Health Hub will be contingent upon the Regional Health Hub's achievement of such deliverables and performance metrics. Determination of whether a Regional Health Hub has achieved such deliverables and performance metrics is at the sole discretion of the department.



The bill would authorize a designated Regional Health Hub to apply to the commissioner, at any time, for an expansion of its core region. The commissioner may approve the requested expansion if certain criteria are met, as described in the bill.

The commissioner will be authorized to revoke an organization's status as a Regional Health Hub if the organization fails to perform the mandatory activities required by the bill. After revoking an organization's status as a Regional Health Hub, the commissioner will be required to immediately determine whether a new Regional Health Hub is needed in the area and, if deemed appropriate, designate a new Regional Health Hub to serve the area.

Under the bill, a Regional Health Hub may be funded in part by the department, in accordance with the provisions of the annual appropriations act; however the funding appropriated in the Fiscal Year 2020 Appropriations Act is not subject to the provisions of the bill. In addition to such funding, the commissioner has the discretion to support a Regional Health Hub's innovation projects that advance Medicaid priorities using other available dollars as appropriate. A Regional Health Hub is to not receive funding until the Regional Health Hub has submitted an annual proposal, as described in the bill.

Any State department that implements a pilot program related to health care delivery will be encouraged to consult with the Regional Health Hubs operating in the regions of the State that will be affected by the pilot program, in order to ensure that all relevant considerations have been accounted for, and that the pilot program is effectively and efficiently implemented with the assistance of all relevant stakeholders.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None received.

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

The OLS estimates that this bill would increase State Medicaid expenditures for care provided to Medicaid beneficiaries by newly created Regional Health Hubs, which will replace the New Jersey Medicaid Accountable Care Organization (ACO) Demonstration Project, authorized pursuant to a 2011 law. Since State Medicaid expenditures are matched by federal funds, the OLS estimates that the bill would increase State revenues. However, without access to detailed claims data for the services provided by the Regional Health Hubs, the OLS cannot determine the magnitude of the increase in State costs under the bill, nor the amount of the increase in State revenues.

The bill directs the Commissioner of Human Services to apply for any State plan amendments or waivers needed to secure federal financial participation for any State Medicaid expenditures. However, the State's ability to claim federal Medicaid matching funds hinges on federal approval of these Medicaid state plan amendments or Medicaid waivers filed with the Centers for Medicare and Medicaid Services.

In addition, the bill authorizes the DHS to fund certain Regional Health Hub activities in accordance with the provisions of the annual appropriations act. Under the bill, anywhere from ten percent to 25 percent of funds appropriated by the department for a Regional Health Hub will be based on the Regional Health Hub's attainment of predetermined goals and performance metrics, as specified in an annual agreement negotiated between the commissioner and the Regional Health Hub. Because the activities specified in the annual agreement, and the cost of

these activities, will vary by Regional Health Hub and by year, the OLS cannot determine the precise annual cost of these performance-based activities at this time.

The bill also specifies that funding for the Regional Health Hubs included in the Fiscal Year 2020 Appropriations Act is not subject to the provisions of the bill. Therefore, any additional funds required to fulfill the Regional Health Hubs' mandate in FY 2020 would require a supplemental appropriation.

*Section: Human Services*

*Analyst: Anne Cappabianca  
Assistant Research Analyst*

*Approved: Frank W. Haines III  
Legislative Budget and Finance Officer*

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

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

# LEGISLATIVE FISCAL ESTIMATE

[Second Reprint]

**ASSEMBLY, No. 5977**

## **STATE OF NEW JERSEY 218th LEGISLATURE**

DATED: JANUARY 14, 2020

### SUMMARY

- Synopsis:** Provides for establishment of Regional Health Hub Program as replacement to Accountable Care Organization Demonstration Project, and designates existing accountable care organizations and look-alike organizations as Regional Health Hubs.
- Type of Impact:** Increase in State expenditures and revenue.
- Agencies Affected:** Department of Human Services, Division of Medical Assistance and Health Services.

#### Office of Legislative Services Estimate

<b>Fiscal Impact</b>	<b><u>Annual</u></b>
<b>State Cost Increase</b>	Indeterminate
<b>State Revenue Increase</b>	Indeterminate

- The Office of Legislative Services (OLS) estimates that this bill would increase State Medicaid expenditures for care provided to Medicaid beneficiaries by newly created Regional Health Hubs, which will replace the New Jersey Medicaid Accountable Care Organization (ACO) Demonstration Project, authorized pursuant to a 2011 law. Since State Medicaid expenditures are matched by federal funds, the OLS estimates that the bill would increase State revenues. However, without access to detailed claims data for the services provided by the Regional Health Hubs, the OLS cannot determine the magnitude of the increase in State costs under the bill, nor the amount of the increase in State revenues.
- In addition, the bill authorizes the Department of Human Services (DHS) to fund certain Regional Health Hub activities in accordance with the provisions of the annual appropriations act. Under the bill, anywhere from ten percent to 25 percent of funds appropriated by the department for a Regional Health Hub will be based on the Regional Health Hub's attainment of predetermined goals and performance metrics, as specified in an annual agreement negotiated between the commissioner and the Regional Health Hub, and approved by the department, in consultation with the Department of Health. Because the activities specified in the annual agreement, and the cost of these activities, will vary by Regional Health Hub and

by year, the OLS cannot determine the precise annual cost of these performance-based activities at this time.

- The bill also specifies that funding for the Regional Health Hubs included in the fiscal year 2020 Appropriations Act is not subject to the provisions of the bill. Therefore, any additional funds required to fulfill the Regional Health Hubs' mandate in Fiscal Year 2020 would require a supplemental appropriation.

## **BILL DESCRIPTION**

This bill would require the DHS to establish a Regional Health Hub Program, and designate Regional Health Hubs in appropriate areas of the State. The new Regional Health Hub Program will replace the Medicaid ACO Demonstration Project, established pursuant to P.L.2011, c.114 (C.30:4D-8.1 et seq.), which is now subject to expiration by law. Each Regional Health Hub will work to coordinate and improve the effectiveness and efficiency of health care and wrap-around services, as well as the engagement and cooperation of relevant stakeholders, in the region of the State in which it operates.

The bill specifies the ACOs and ACO look-alike organizations, which currently operate in the State, which are to be grandfathered into the Regional Health Hub Program, and automatically designated as Regional Health Hubs. The legislation authorizes the DHS, in consultation with the Department of Health, to designate, as needed, additional non-profit organizations to operate as Regional Health Hubs under the Regional Health Hub Program.

Within six months of the bill's effective date, the Commissioner of Human Services, in consultation with the Department of Health, will designate and delineate the boundaries of each region of the State that is in need of a new Regional Health Hub. The commissioner's delineation of prospective service regions is to be based on factors specified in this bill. Based on an analysis of these factors, the commissioner is authorized to designate any county, zip code, or group of zip codes in the State as a prospective service region. However, the bill stipulates that the boundaries of any prospective service region are not to overlap with any portion of a region served by another Regional Health Hub.

After the commissioner has designated an area as a prospective service region, the commissioner will evaluate organizations for designation as the Regional Health Hub for the prospective region. To be considered for designation as a new Regional Health Hub, organizations must meet certain criteria as identified in the bill. If more than one organization meets the criteria for designation as a Regional Health Hub in a prospective service region, the commissioner will be required to use his or her discretion to designate the organization that the commissioner determines will be best able to meet the needs of, and fulfill the bill's purposes within, the prospective service region.

Within 180 days after an organization is approved to operate as a Regional Health Hub, the organization will have to meet certain requirements delineated in this legislation.

Each designated Regional Health Hub will be required to engage in mandatory activities delineated in the bill. Also, the designated Regional Health Hub will be authorized to engage in the certain discretionary activities as necessary either to further the Regional Health Hub's goals or to comport with the provisions of the proposal submitted by the Regional Health Hub to the department. Each proposal will be required to include certain information as specified in the bill. Each year, at least 10 percent, but no more than 25 percent of the total funding provided by the department to each Regional Health Hub will be contingent upon the Regional Health Hub's achievement of such deliverables and performance metrics. Determination of whether a Regional

Health Hub has achieved such deliverables and performance metrics is at the sole discretion of the department.

The bill would authorize a designated Regional Health Hub to apply to the commissioner, at any time, for an expansion of its core region. The commissioner may approve the requested expansion if certain criteria are met, as described in the bill.

The commissioner will be authorized to revoke an organization's status as a Regional Health Hub if the organization fails to perform the mandatory activities required by the bill. After revoking an organization's status as a Regional Health Hub, the commissioner will be required to immediately determine whether a new Regional Health Hub is needed in the area and, if deemed appropriate, designate a new Regional Health Hub to serve the area.

Under the bill, a Regional Health Hub may be funded in part by the department, in accordance with the provisions of the annual appropriations act; however, the funding appropriated in the Fiscal Year 2020 Appropriations Act is not subject to the provisions of the bill. In addition to such funding, the commissioner has the discretion to support a Regional Health Hub's innovation projects that advance Medicaid priorities using other available dollars as appropriate. A Regional Health Hub is not to receive funding until the Regional Health Hub has submitted an annual proposal, as described in the bill.

Any State department that implements a pilot program related to health care delivery will be encouraged to consult with the Regional Health Hubs operating in the regions of the State that will be affected by the pilot program, in order to ensure that all relevant considerations have been accounted for, and that the pilot program is effectively and efficiently implemented with the assistance of all relevant stakeholders.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None received.

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

The OLS estimates that this bill would increase State Medicaid expenditures for care provided to Medicaid beneficiaries by newly created Regional Health Hubs, which will replace the New Jersey Medicaid Accountable Care Organization (ACO) Demonstration Project, authorized pursuant to a 2011 law. Since State Medicaid expenditures are matched by federal funds, the OLS estimates that the bill would increase State revenues. However, without access to detailed claims data for the services provided by the Regional Health Hubs, the OLS cannot determine the magnitude of the increase in State costs under the bill, nor the amount of the increase in State revenues.

The bill directs the Commissioner of Human Services to apply for any State plan amendments or waivers needed to secure federal financial participation for any State Medicaid expenditures. However, the State's ability to claim federal Medicaid matching funds hinges on federal approval of these Medicaid state plan amendments or Medicaid waivers filed with the Centers for Medicare and Medicaid Services.

In addition, the bill authorizes the DHS to fund certain Regional Health Hub activities in accordance with the provisions of the annual appropriations act. Under the bill, anywhere from ten percent to 25 percent of funds appropriated by the department for a Regional Health Hub will be based on the Regional Health Hub's attainment of predetermined goals and performance

metrics, as specified in an annual agreement negotiated between the commissioner and the Regional Health Hub, and approved by the department, in consultation with the Department of Health. Because the activities specified in the annual agreement, and the cost of these activities, will vary by Regional Health Hub and by year, the OLS cannot determine the precise annual cost of these performance-based activities at this time.

The bill also specifies that funding for the Regional Health Hubs included in the Fiscal Year 2020 Appropriations Act is not subject to the provisions of the bill. Therefore, any additional funds required to fulfill the Regional Health Hubs' mandate in FY 2020 would require a supplemental appropriation.

*Section: Human Services*

*Analyst: Anne Cappabianca  
Assistant Fiscal Analyst*

*Approved: Frank W. Haines III  
Legislative Budget and Finance Officer*

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

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

**SENATE, No. 4282**

---

**STATE OF NEW JERSEY**  
**218th LEGISLATURE**

---

INTRODUCED DECEMBER 9, 2019

**Sponsored by:**

**Senator JOSEPH F. VITALE**

**District 19 (Middlesex)**

**SYNOPSIS**

Provides for establishment of Regional Health Hub Program as replacement to Accountable Care Organization Demonstration Project, and designates existing accountable care organizations and look-alike organizations as Regional Health Hubs.

**CURRENT VERSION OF TEXT**

As introduced.



1 AN ACT concerning the establishment of a Regional Health Hub  
2 Program as a replacement to the Accountable Care Organization  
3 Demonstration Project, and supplementing Title 30 of the  
4 Revised Statutes.

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

8  
9 1. The Legislature finds and declares that:

10 a. Significant State resources are invested in both the health  
11 and social service sectors in New Jersey, and the development of  
12 improvements in how Medicaid benefits and payment models  
13 interact with social services would provide a benefit to all New  
14 Jersey residents.

15 b. A more regional approach to care, involving the coordinated  
16 provision of person-centered health care in combination with robust  
17 connections to social services and community resources, is required  
18 at both the patient and organizational levels.

19 c. It is in New Jersey's best interest to establish a regional  
20 network of non-profit organizations that partner with Medicaid and  
21 State agencies to reduce health disparities and improve health  
22 outcomes and the delivery of care for Medicaid recipients in the  
23 State. Such non-profit organizations have the capacity to become  
24 local innovation engines that use real-time actionable data and  
25 diverse stakeholder input to develop and implement innovative  
26 models for the delivery of effective, person-centered care.

27 d. It is both reasonable and appropriate for the Department of  
28 Human Services to designate and recognize existing accountable  
29 care organizations as Regional Health Hubs, and to establish new  
30 Regional Health Hubs in appropriate areas of the State, as provided  
31 by this act, in order to enable the State to:

32 (1) identify existing and emerging threats to health and  
33 wellbeing, and problems with the State's regional health care  
34 delivery systems, and identify and determine how to implement  
35 solutions to those problems;

36 (2) promote and facilitate cooperation, coordination, innovation,  
37 and goal setting by and among relevant stakeholders;

38 (3) evaluate the progress that has been made in achieving  
39 identified goals and priorities; and

40 (4) otherwise encourage and enable the overall improvement of  
41 the health of New Jersey residents and the delivery of health care  
42 throughout the State.

43  
44 2. As used in this act:

45 "Commissioner" means the Commissioner of Human Services.

46 "Core region" means the geographic area of responsibility for a  
47 Regional Health Hub.



1 “Data catchment area” means the zip codes in New Jersey for  
2 which a Regional Health Hub receives Medicaid claims data.

3 “Department” means the Department of Human Services.

4 “Existing Regional Health Hub” means those four organizations  
5 designated as Regional Health Hubs by the FY20 New Jersey State  
6 Budget, P.L.2019, c.150, and identified in subsection b. of section 3  
7 of this act.

8 “Health information platform” means a Health Information  
9 Exchange (HIE) or other electronic platform that is used to run  
10 population-level analytics or exchange health information among  
11 various organizations.

12 “New Regional Health Hub” means an entity that is designated  
13 by the commissioner as a Regional Health Hub after the effective  
14 date of, and as provided by, this act.

15 “Prospective service region” or “prospective region” means a  
16 geographical area that is designated by the commissioner, pursuant  
17 to subsection a. of section 4 of this act, as being in need of a  
18 Regional Health Hub.

19 “Regional Health Hub” means any entity that is designated as a  
20 Regional Health Hub, as provided by this act, including an existing  
21 Regional Health Hub or a new Regional Health Hub.

22

23 3. a. The Department of Human Services shall establish a  
24 Regional Health Hub Program, and shall designate and certify  
25 Regional Health Hubs in appropriate areas of the State, as provided  
26 by this act. The Regional Health Hub Program shall replace the  
27 Medicaid Accountable Care Organization Demonstration Project  
28 established pursuant to P.L.2011, c.114 (C.30:4D-8.1 et seq.),  
29 which is now subject to expiration by law.

30 b. The following certified accountable care organizations and  
31 accountable care look-alike organizations, which are operating in  
32 this State as of the effective date of this act, shall be grandfathered  
33 into the Regional Health Hub Program, and shall be automatically  
34 designated and certified as Regional Health Hubs, for the purposes  
35 of this act:

- 36 (1) the Healthy Greater Newark ACO;
- 37 (2) the Trenton Health Team;
- 38 (3) the Camden Coalition of Health Care Providers; and
- 39 (4) the Health Coalition of Passaic County.

40 c. The Department of Human Services, in consultation with the  
41 Department of Health, shall be authorized to designate and certify  
42 additional non-profit organizations to operate as Regional Health  
43 Hubs under the Regional Health Hub Program, pursuant to section 4  
44 of this act, as determined to be appropriate.

45

46 4. a. The commissioner shall designate and delineate the  
47 boundaries of regions of the State that are in need of new Regional  
48 Health Hubs.

1       b. The commissioner's designation and delineation of  
2 prospective service regions for new Regional Health Hubs shall be  
3 based on the following factors:

4       (1) the availability of State and federal funding necessary to  
5 support the new Regional Health Hub, and the State's ability to  
6 provide necessary funding without negatively impacting the  
7 operation and effectiveness of other Regional Health Hubs in the  
8 State;

9       (2) the number and density of Medicaid beneficiaries in the  
10 region;

11       (3) the existence, in the region, of multiple health and social  
12 service systems of care that are in need of convening and  
13 coordination; and

14       (4) the volume, in the region, of avoidable inpatient hospital  
15 admissions and emergency department visits.

16       c. Based on the analysis of factors identified in subsection b. of  
17 this section, the commissioner may designate any county, zip code,  
18 or group of zip codes in the State as a prospective service region.  
19 The boundaries of any prospective service region designated under  
20 this section shall not include any portion of a core region served by  
21 another Regional Health Hub.

22       d. Once an area has been designated by the commissioner as a  
23 prospective service region, the commissioner shall solicit and  
24 review applications from qualified non-profit organizations that  
25 wish to be designated and certified as the new Regional Health Hub  
26 for the prospective service region. The commissioner shall only  
27 designate and certify an organization as a new Regional Health Hub  
28 if the organization:

29       (1) is a registered New Jersey non-profit organization exempt  
30 from federal taxation under 26 U.S.C. s.501(c)3;

31       (2) submits a request identifying the proposed boundaries of the  
32 Regional Health Hub's anticipated core region, which boundaries  
33 shall include the total area of a prospective service region  
34 designated by the commissioner, and shall not include any area that  
35 is already included in another Regional Health Hub's core region;  
36 and

37       (3) submits a request identifying the proposed boundaries of the  
38 Regional Health Hub's anticipated data catchment area.

39       e. Within 180 days after an organization is approved to operate  
40 as a Regional Health Hub, the organization shall:

41       (1) establish and maintain a headquarters within the boundaries  
42 of the core region;

43       (2) establish and convene an advisory committee of persons who  
44 reside or work in the core region, which committee shall include  
45 community members and representatives from organizations that  
46 exemplify the diversity of geography, gender, disability, age, sexual  
47 orientation, veterans' status, and prevalent health conditions in the  
48 core region. The following types of persons may be included in an  
49 advisory committee established under this paragraph: (a)

1 community members having lived experience with the health care  
2 system; (b) Medicaid beneficiaries; (c) representatives of school  
3 districts; (d) representatives of local government; (e) representatives  
4 of housing organizations; and (f) representatives of the faith-based  
5 community;

6 (3) establish and convene a governing board that includes  
7 members from a majority of the following groups and entities, to  
8 the extent that such groups and entities are present in the core  
9 region: (a) hospitals or hospital systems; (b) Federally Qualified  
10 Health Centers; (c) private clinicians, including physicians and  
11 nurses; (d) community-based organizations such as behavioral  
12 health providers and social service agencies; (e) managed care  
13 organizations; (f) the advisory committee established pursuant to  
14 paragraph (2) of this subsection; and (g) health care consumers; and

15 (4) demonstrate, to the commissioner's satisfaction, the ability  
16 to perform the mandatory functions of a Regional Health Hub, as  
17 described in subsection a. of section 6 of this act.

18 f. If more than one organization meets the criteria for  
19 designation as a Regional Health Hub in a prospective service  
20 region, the commissioner, in the commissioner's discretion, shall  
21 designate the organization that the commissioner determines will be  
22 best able to meet the needs of, and fulfill the purposes of this act  
23 within, the prospective service region.

24 g. Before approving an application to become a Regional  
25 Health Hub under this section, the commissioner shall review each  
26 of the boundary requests submitted by the applicant under  
27 paragraphs (2) and (3) of subsection d. of this section, and shall  
28 either approve the requests, as submitted by the applicant, or require  
29 the applicant to make appropriate modifications to the boundary  
30 requests as a precondition to their approval. If a boundary request  
31 cannot be modified as necessary to comply with the provisions of  
32 this act, the commissioner shall select another applicant to serve as  
33 the Regional Health Hub in the proposed service region.

34 h. A designated Regional Health Hub may submit an  
35 application to the commissioner, at any time, requesting the  
36 expansion of its core region. The commissioner shall approve the  
37 requested expansion if:

38 (1) the boundaries of the expanded core region will not overlap  
39 with the core region of another Regional Health Hub;

40 (2) the area would otherwise qualify for designation as a  
41 prospective service region under subsection b. of section 4 of this  
42 act; and

43 (3) the applicant demonstrates, to the commissioner's  
44 satisfaction, the applicant's ability to perform, in the requested  
45 expansion area, and within one year following submission of the  
46 application, the mandatory activities of a Regional Health Hub, as  
47 described in subsection a. of section 6 of this act.

1       5. a. The commissioner may revoke an organization’s status as  
2 a Regional Health Hub if the organization fails to perform the  
3 mandatory activities of a Regional Health Hub, as described in  
4 subsection a. of section 6 of this act.

5       b. Before revoking an organization’s status as a Regional  
6 Health Hub, the commissioner shall notify the organization of the  
7 potential revocation and provide a reasonable timeframe for  
8 corrective action.

9       c. The commissioner’s revocation of Regional Health Hub  
10 status shall be a final agency action for the purposes of the  
11 “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et  
12 seq.).

13       d. After revoking an organization’s status as a Regional Health  
14 Hub, the commissioner shall immediately determine whether a new  
15 Regional Health Hub is needed in the area where status was  
16 revoked. If such need is determined to exist, the commissioner  
17 shall designate a new Regional Health Hub to serve the area, as  
18 provided by subsection d. of section 4 of this act.

19

20       6. a. Each designated Regional Health Hub shall engage in the  
21 following mandatory activities:

22       (1) establish, operate, and maintain a health information  
23 platform that allows for population-level views and analytics, and  
24 patient-level health interventions. Unless annually exempted by the  
25 commissioner, each Regional Health Hub’s health information  
26 platform shall, to the extent practicable, be interoperable with all  
27 other Regional Health Hubs’ platforms, and with any other  
28 Statewide health information project designated by the  
29 commissioner;

30       (2) convene and obtain relevant input from community  
31 stakeholders within the Regional Health Hub’s core region. At a  
32 minimum, convening activities shall include quarterly opportunities  
33 for the active engagement and interaction of relevant stakeholders,  
34 including, but not limited to, managed care organizations, local and  
35 State government entities, health care and social service providers,  
36 community-based organizations, and local consumers of health  
37 care;

38       (3) upon request, provide the department and other State  
39 agencies, including the Departments of Health, Children and  
40 Families, and Community Affairs, with information and feedback to  
41 assist the departments in program design, population analysis,  
42 strategic planning, and other appropriate functions; and

43       (4) engage in any other activity that the commissioner deems  
44 necessary to achieve the goals of this act.

45       b. Each designated Regional Health Hub shall be authorized to  
46 engage in the following activities as necessary either to further the  
47 Regional Health Hub’s goals or to comport with the provisions of a  
48 memorandum of understanding executed between the Regional  
49 Health Hub and the department pursuant to section 7 of this act:

- 1 (1) plan and execute population-level and patient-level health  
2 interventions;
  - 3 (2) establish, operate, and maintain, or partner with a third-party  
4 who will establish, operate, and maintain, a community resource  
5 inventory that is capable of referring and tracking the referral of  
6 community members to appropriate services;
  - 7 (3) perform a health needs assessment on all or part of the  
8 population in the Regional Health Hub's core region;
  - 9 (4) perform quality improvement activities based on population-  
10 level data and health needs assessment findings;
  - 11 (5) develop screening protocols that provide for a  
12 comprehensive risk assessment to determine a patient's need for  
13 follow-up and wrap-around services related to the social  
14 determinants of health;
  - 15 (6) facilitate the coordination, within the Regional Health Hub's  
16 core region, of health care and ancillary services related to the  
17 social determinants of health, including, but not limited to, food  
18 assistance services, legal services, and other social services, for  
19 high-need populations;
  - 20 (7) provide care management services to the entire population,  
21 or to underserved sub-populations, in the Regional Health Hub's  
22 core region;
  - 23 (8) submit an annual report to the commissioner describing the  
24 health needs in the Regional Health Hub's core region, identifying  
25 the Regional Health Hub's near and long-term health goals for the  
26 core region, and describing the activities that have been undertaken,  
27 and the progress that has been made, over the preceding year, by the  
28 Regional Health Hub and relevant stakeholders in the core region to  
29 improve the effectiveness or efficiency of the core region's health  
30 care system; and
  - 31 (9) engage in any other appropriate activity that the  
32 commissioner or Regional Health Hub deems relevant to the  
33 attainment of the Regional Health Hub's goals.
- 34 c. Nothing in this section shall be deemed to limit the activities  
35 that a Regional Health Hub may conduct on behalf of other State  
36 departments or funders.
- 37
- 38 7. a. A Regional Health Hub may annually enter into a  
39 memorandum of understanding with the department, describing the  
40 Regional Health Hub's annual goals, and the elective activities that  
41 the Regional Health Hub will undertake during the upcoming fiscal  
42 year.
  - 43 b. In order to facilitate the annual execution of memoranda of  
44 understanding under this section, the department shall annually  
45 provide each Regional Health Hub with a list of the department's  
46 goals, projects, or priorities for the upcoming fiscal year.
  - 47 c. Any Regional Health Hub wishing to enter into a  
48 memorandum of understanding with the department shall first  
49 convene an annual planning meeting of stakeholders within the

1 Regional Health Hub's core region in order to identify potential  
2 goals, projects, and priorities for the core region. The convening of  
3 a meeting under this subsection may overlap with the Regional  
4 Health Hub's duties under paragraph (2) of subsection a. of section  
5 6 of this act.

6 d. When executing a memorandum of understanding under this  
7 section, the department and relevant Regional Health Hub shall  
8 negotiate joint goals, projects, and priorities for the upcoming fiscal  
9 year, and agree upon the associated funding that will be needed to  
10 accomplish those joint goals, projects, and priorities.

11 e. Each memorandum of understanding executed pursuant to  
12 this section shall include, at a minimum:

13 (1) a description of the joint goals, projects, and priorities  
14 agreed upon by the Regional Health Hub and the department for the  
15 upcoming fiscal year pursuant to subsection d. of this section;

16 (2) an indication of the amount of funding that will be needed to  
17 attain each joint goal, project, and priority identified in the  
18 memorandum of understanding, and an indication of the total  
19 amount of funding, overall, that will needed to execute the  
20 memorandum of understanding;

21 (3) a description of the clear deliverables and performance  
22 metrics that will be used to evaluate and measure success in relation  
23 to the achievement of the goals, projects, and priorities described in  
24 the memorandum of understanding; and

25 (4) a description of performance-based payments, representing  
26 at least 10 percent but not more than 25 percent of the total funding  
27 needed to execute the memorandum of understanding, which  
28 payments will be tied to the achievement of the clear deliverables  
29 described in paragraph (3) of this subsection.  
30

31 8. a. A health information platform operated pursuant to  
32 paragraph (1) of subsection a. of section 6 of this act shall contain  
33 detailed health data from the Regional Health Hub's core region,  
34 including macro-level analytics of broad population trends, and  
35 micro-level analytics of both individual health data, and disease  
36 trends by category of disease, age group, or other subset.

37 b. Each hospital in the State shall be required to submit  
38 pertinent patient data to the health information platform that is  
39 maintained by the Regional Health Hub operating in the same  
40 region of the State in which the hospital is located, or, if there is no  
41 Regional Health Hub operating in the region, to the health  
42 information platform that is maintained by the Regional Health Hub  
43 that is closest in geography to the hospital. The data submitted  
44 pursuant to this paragraph shall be provided on a real-time basis, to  
45 the extent practicable, and in no case, less frequently than daily.

46 c. Each managed care organization operating in the State shall  
47 be required to share all relevant health data with each health  
48 information platform that is maintained in a region of the State in  
49 which the managed care organization provides services to patients.

1 d. The Departments of Human Services, Health, Children and  
2 Families, and Community Affairs shall be authorized to share with  
3 the health information platforms established, or the Regional Health  
4 Hubs designated, pursuant to this act, any available health data that  
5 is maintained by the departments.  
6

7 9. Any State department that implements a pilot program  
8 related to health care delivery shall be encouraged to consult with  
9 the Regional Health Hubs operating in the regions of the State that  
10 will be affected by the pilot program, in order to ensure that all  
11 relevant considerations have been accounted for, and that the pilot  
12 program is effectively and efficiently implemented with the  
13 assistance of all relevant stakeholders.  
14

15 10. In addition to utilizing any State-appropriated funding that  
16 supports Regional Health Hubs, the Commissioner of Human  
17 Services shall apply for such State plan amendments or waivers as  
18 may be necessary to implement the provisions of this act, and to  
19 secure federal financial participation for State Medicaid  
20 expenditures under the federal Medicaid program, and shall take  
21 such additional steps as may be necessary to secure, on behalf of  
22 participating Regional Health Hubs, such waivers, exemptions, or  
23 advisory opinions to ensure that such Regional Health Hubs are in  
24 compliance with applicable provisions of State and federal law  
25 related to fraud and abuse, including, but not limited to, anti-  
26 kickback, self-referral, false claim, and civil monetary penalty  
27 provisions.  
28

29 11. The Commissioner of Human Services shall adopt rules and  
30 regulations, pursuant to the "Administrative Procedure Act,"  
31 P.L.1968, c.410 (C.52:14B-1 et seq.), as may be necessary to  
32 implement the provisions of this act.  
33

34 12. This act shall take effect immediately.  
35  
36

37 STATEMENT  
38

39 This bill would require the Department of Human Services  
40 (DHS) to establish a Regional Health Hub Program, and designate  
41 and certify Regional Health Hubs in appropriate areas of the State.  
42 The new Regional Health Hub Program will replace the Medicaid  
43 Accountable Care Organization Demonstration Project, established  
44 pursuant to P.L.2011, c.114 (C.30:4D-8.1 et seq.), which is now  
45 subject to expiration by law. Each Regional Health Hub will work  
46 to coordinate and improve the effectiveness and efficiency of health  
47 care and wrap-around services, and the engagement and cooperation  
48 of relevant stakeholders, in the region of the State in which it  
49 operates.

1 The following certified accountable care organizations and  
2 accountable care look-alike organizations, which are operating in  
3 this State as of the bill's effective date, are to be grandfathered into  
4 the Regional Health Hub Program, and automatically designated  
5 and certified as Regional Health Hubs: 1) the Healthy Greater  
6 Newark ACO; 2) the Trenton Health Team; 3) the Camden  
7 Coalition of Health Care Providers; and 4) the Health Coalition of  
8 Passaic County.

9 The DHS, in consultation with the Department of Health (DOH),  
10 will also be authorized to designate and certify additional non-profit  
11 organizations to operate as Regional Health Hubs under the  
12 Regional Health Hub Program, as determined to be appropriate.

13 The bill requires the Commissioner of Human Services to  
14 designate and delineate the boundaries of each region of the State  
15 that is in need of a new Regional Health Hub. The commissioner's  
16 delineation of prospective service regions is to be based on the  
17 following factors: 1) the availability of State and federal funding  
18 necessary to support the new Regional Health Hub, and the State's  
19 ability to provide necessary funding without negatively impacting  
20 the operation and effectiveness of other Regional Health Hubs in  
21 the State; 2) the number and density of Medicaid beneficiaries in  
22 the region; 3) the existence, in the region, of multiple health and  
23 social service systems of care that are in need of convening and  
24 coordination; and 4) the volume, in the region, of avoidable  
25 inpatient hospital admissions and emergency department visits.  
26 Based on the analysis of these factors, the commissioner may  
27 designate any county, zip code, or group of zip codes in the State as  
28 a prospective service region. However, the boundaries of any  
29 prospective service region may not include any portion of a core  
30 region served by another Regional Health Hub.

31 Once an area has been designated by the commissioner as a  
32 prospective service region, the commissioner will be required to  
33 solicit and review applications from qualified non-profit  
34 organizations that wish to be designated and certified as the new  
35 Regional Health Hub for the prospective region. The commissioner  
36 will only be authorized to designate and certify an organization as a  
37 new Regional Health Hub if the organization is a registered New  
38 Jersey non-profit organization exempt from federal taxation under  
39 26 U.S.C. s.501(c)3, and the organization submits a request  
40 identifying the proposed boundaries of the Regional Health Hub's  
41 anticipated core region, and an additional request identifying the  
42 proposed boundaries of the Regional Health Hub's anticipated data  
43 catchment area. If more than one organization meets the criteria for  
44 designation as a Regional Health Hub in a prospective service  
45 region, the commissioner will be required to use his or her  
46 discretion to designate the organization that the commissioner  
47 determines will be best able to meet the needs of, and fulfill the  
48 bill's purposes within, the prospective service region.



1       Within 180 days after an organization is approved to operate as a  
2 Regional Health Hub, the organization will be required to:

3       1) establish and maintain a headquarters within the boundaries  
4 of the core region;

5       2) establish and convene an advisory committee of persons who  
6 reside or work in the core region, which committee is to include  
7 community members and representatives from organizations that  
8 exemplify the diversity of geography, gender, disability, age, sexual  
9 orientation, veterans' status, and prevalent health conditions in the  
10 core region;

11       3) establish and convene a governing board that includes  
12 members from a majority of the following groups and entities, to  
13 the extent that such groups and entities are present in the core  
14 region: (a) hospitals or hospital systems; (b) Federally Qualified  
15 Health Centers; (c) private clinicians, including physicians and  
16 nurses; (d) community-based organizations such as behavioral  
17 health providers and social service agencies; (e) managed care  
18 organizations; (f) the Regional Health Hub's advisory committee,  
19 established pursuant to the bill; and (g) health care consumers; and

20       4) demonstrate, to the commissioner's satisfaction, the ability  
21 to perform the mandatory functions of a Regional Health Hub.

22       Each designated Regional Health Hub will be required to engage  
23 in the following mandatory activities:

24       1) establish, operate, and maintain a health information  
25 platform that allows for population-level views and analytics, and  
26 for patient-level health interventions, which platform is  
27 interoperable with all other Regional Health Hubs' platforms, and  
28 with any other Statewide health information project designated by  
29 the commissioner. (Hospitals and managed care organizations will  
30 be required, and State departments will be authorized, to submit  
31 health care data to the platforms that are maintained by the  
32 Regional Health Hubs);

33       2) convene and obtain relevant input from community  
34 stakeholders within the Regional Health Hub's core region. At a  
35 minimum, convening activities are to include quarterly  
36 opportunities for the active engagement and interaction of relevant  
37 stakeholders, including, but not limited to, managed care  
38 organizations, local and State government entities, health care and  
39 social service providers, community-based organizations, and local  
40 consumers of health care; 3) upon request, provide the DHS  
41 and other State agencies, including the Departments of Health,  
42 Children and Families, and Community Affairs, with information  
43 and feedback to assist the departments in program design,  
44 population analysis, strategic planning, and other appropriate  
45 functions; and

46       4) engage in any other activity that the Commissioner of  
47 Human Services deems necessary to achieve the bill's goals.

48       Each designated Regional Health Hub will also be authorized to  
49 engage in certain discretionary activities as necessary either to

1 further the Regional Health Hub's goals or to comport with the  
2 provisions of an annual memorandum of understanding (MOU)  
3 voluntarily executed between, and espousing the joint goals,  
4 projects, and priorities, of, the Regional Health Hub and the  
5 department. Any MOU executed under the bill will be required to  
6 include, at a minimum: 1) a description of the joint goals, projects,  
7 and priorities agreed upon by the Regional Health Hub and the  
8 department for the upcoming fiscal year; 2) an indication of the  
9 amount of funding that will be needed to attain each joint goal,  
10 project, and priority, and an indication of the total amount of  
11 funding, overall, that will needed to execute the MOU; 3) a  
12 description of the clear deliverables and performance metrics that  
13 will be used to evaluate and measure success in relation to the  
14 achievement of the goals, projects, and priorities described in the  
15 MOU; and 4) a description of performance-based payments,  
16 representing at least 10 percent but not more than 25 percent of the  
17 total funding needed to execute the MOU, which payments will be  
18 tied to the achievement of the clear deliverables described in the  
19 MOU.

20 The bill would authorize a designated Regional Health Hub to  
21 apply to the commissioner, at any time, for an expansion of its core  
22 region. The commissioner will be required to approve the requested  
23 expansion if: 1) the boundaries of the expanded core region will  
24 not overlap with the core region of another Regional Health Hub; 2)  
25 the area would otherwise qualify for designation as a prospective  
26 service region; and 3) the applicant demonstrates the ability to  
27 perform, in the requested expansion area, and within one year  
28 following submission of the application, the mandatory activities of  
29 a Regional Health Hub, as described in the bill.

30 The commissioner will be authorized to revoke an organization's  
31 status as a Regional Health Hub if the organization fails to perform  
32 the mandatory activities required by the bill. After revoking an  
33 organization's status as a Regional Health Hub, the commissioner  
34 will be required to immediately determine whether a new Regional  
35 Health Hub is needed in the area and, if deemed appropriate,  
36 designate a new Regional Health Hub to serve the area.

37 Any State department that implements a pilot program related to  
38 health care delivery will be encouraged to consult with the Regional  
39 Health Hubs operating in the regions of the State that will be  
40 affected by the pilot program, in order to ensure that all relevant  
41 considerations have been accounted for, and that the pilot program  
42 is effectively and efficiently implemented with the assistance of all  
43 relevant stakeholders.

SENATE HEALTH, HUMAN SERVICES AND SENIOR  
CITIZENS COMMITTEE

STATEMENT TO

**SENATE, No. 4282**

with committee amendments

**STATE OF NEW JERSEY**

DATED: DECEMBER 12, 2019

The Senate Health, Human Services and Senior Citizens Committee reports favorably and with committee amendments Senate Bill No. 4282.

As amended, this bill requires the Department of Human Services (DHS) to establish a Regional Health Hub Program and designate Regional Health Hubs in appropriate areas of the State. The new Regional Health Hub Program will replace the Medicaid Accountable Care Organization Demonstration Project, established pursuant to P.L.2011, c.114 (C.30:4D-8.1 et seq.), which is now subject to expiration by law. Each Regional Health Hub will work to coordinate and improve the effectiveness and efficiency of health care and wrap-around services, and the engagement and cooperation of relevant stakeholders, in the region of the State in which it operates.

The following certified accountable care organizations (ACOs) and accountable care look-alike organizations, which are currently operating in New Jersey, will be grandfathered into the Regional Health Hub Program and automatically designated as Regional Health Hubs: 1) the Healthy Greater Newark ACO; 2) the Trenton Health Team; 3) the Camden Coalition of Health Care Providers; and 4) the Health Coalition of Passaic County.

The DHS will also be authorized to designate and certify additional non-profit organizations to operate as Regional Health Hubs under the Regional Health Hub Program, as determined to be appropriate.

The bill requires the Commissioner of Human Services to designate and delineate the boundaries of each region of the State that is in need of a new Regional Health Hub within six months after the effective date of the bill. The commissioner's delineation of prospective service regions is to be based on the following factors: 1) the availability of State and federal funding necessary to support the new Regional Health Hub, and the State's ability to provide necessary funding; 2) the number and density of Medicaid beneficiaries in the region; 3) the existence, in the region, of multiple health and social service systems of care that are in need of convening and coordination; and 4) the volume, in the region, of avoidable inpatient hospital

admissions and emergency department visits. Based on the analysis of these factors, the commissioner may designate any county, zip code, or group of zip codes in the State as a prospective service region. However, the boundaries of any prospective service region may not include any portion of a core region served by another Regional Health Hub.

Once an area has been designated by the commissioner as a prospective service region, the commissioner will be required to evaluate organizations for designation as the new Regional Health Hub for the prospective region. The commissioner will only be authorized to designate an organization as a new Regional Health Hub if the organization: is a registered New Jersey non-profit organization exempt from federal taxation under 26 U.S.C. s.501(c)3; submits a request identifying the proposed boundaries of the Regional Health Hub's anticipated core region; submits a request identifying the proposed boundaries of the Regional Health Hub's anticipated data catchment area; and demonstrates the ability to perform the mandatory functions of a Regional Health Hub. If more than one organization meets the criteria for designation as a Regional Health Hub in a prospective service region, designation of the Regional Health Hub will be at the commissioner's discretion based on a determination as to which organization will be best able to meet the needs of, and fulfill the bill's purposes within, the prospective service region.

Within 180 days after an organization is approved to operate as a Regional Health Hub, the organization will be required to:

- 1) establish and maintain a headquarters within the boundaries of the core region;
- 2) establish and convene an advisory committee of persons who reside or work in the core region, which committee is to include community members and representatives from organizations that exemplify the diversity of geography, gender, disability, age, sexual orientation, veterans' status, and prevalent health conditions in the core region; and
- 3) establish and convene a governing board that includes members from a majority of the following groups and entities, to the extent that such groups and entities are present in the core region: (a) hospitals or hospital systems; (b) Federally Qualified Health Centers; (c) private clinicians, including physicians and nurses; (d) community-based organizations such as behavioral health providers and social service agencies; (e) managed care organizations; (f) the Regional Health Hub's advisory committee established under the bill; and (g) health care consumers.

Each designated Regional Health Hub will be required to engage in the following mandatory activities:

- 1) establish, operate, and maintain a health information platform that allows for population-level views and analytics, and for patient-level health interventions, which platform is interoperable with all

other Regional Health Hubs' platforms, and with any other Statewide health information project designated by the commissioner;

2) convene and obtain relevant input from community stakeholders within the Regional Health Hub's core region. At a minimum, convening activities are to include quarterly opportunities for the active engagement and interaction of relevant stakeholders, including, but not limited to, managed care organizations, local and State government entities, health care and social service providers, community-based organizations, and local consumers of health care;

3) upon request, provide the DHS and other State agencies, including the Departments of Health, Children and Families, and Community Affairs, with information and feedback to assist the departments in program design, population analysis, strategic planning, and other appropriate functions; and

4) engage in any other activity that the Commissioner of Human Services deems necessary to achieve the bill's goals.

Each designated Regional Health Hub will also be authorized to engage in certain discretionary activities as necessary either to further the Regional Health Hub's goals or to comport with the provisions of an annual proposal submitted by each Regional Health Hub espousing its goals, projects, and priorities for the year. Regional Health Hub proposals are subject to approval by the DHS. Proposals will be required to include, at a minimum: 1) a description of the joint goals, projects, and priorities agreed upon by the Regional Health Hub and the department for the upcoming fiscal year; 2) an indication of the amount of funding that will be needed to attain each joint goal, project, and priority, and an indication of the total amount of funding, overall, that will be needed to execute the proposal; 3) a description of the clear deliverables and performance metrics that will be used to evaluate and measure success in relation to the achievement of the goals, projects, and priorities described in the proposal; and 4) a description of performance-based payments that will be tied to achieving deliverables and performance metrics, with a requirement that, each year, between 10 percent and 25 percent of the total funding provided by DHS to the Regional Health Hub will be made contingent on the hub achieving deliverables and performance metrics.

Regional Health Hubs may be funded through the annual appropriations act, as well as through other sources, such as funds available to advance Medicaid priorities using innovation projects.

The bill authorizes a designated Regional Health Hub to apply to the commissioner, at any time, for an expansion of its core region. The commissioner will be required to approve the requested expansion if: 1) the boundaries of the expanded core region will not overlap with the core region of another Regional Health Hub; 2) the area would otherwise qualify for designation as a prospective service region; and 3) the applicant demonstrates the ability to perform as a Regional Health Hub in the requested expansion area.

Regional Health Hubs are to maintain a data sharing use and reciprocal support agreement with any Statewide health information platform designated by the commissioner. The DHS is to make NJ FamilyCare claims data available to Regional Health Hubs to facilitate, among other tasks, population health work.

The commissioner will be authorized to revoke an organization's status as a Regional Health Hub if the organization fails to perform the mandatory activities required by the bill. After revoking an organization's status as a Regional Health Hub, the commissioner will be required to immediately determine whether a new Regional Health Hub is needed in the area and, if deemed appropriate, designate a new Regional Health Hub to serve the area.

Any State department that implements a pilot program related to health care delivery will be encouraged to consult with the Regional Health Hubs operating in the regions of the State that will be affected by the pilot program, in order to ensure that all relevant considerations have been accounted for, and that the pilot program is effectively and efficiently implemented with the assistance of all relevant stakeholders.

#### COMMITTEE AMENDMENTS:

The committee amendments clarify that the Department of Human Services (DHS) will only designate Regional Health Hubs, and will not also certify them. The amendments remove a requirement for the Commissioner of Human Services to consult with the Commissioner of Health when designating additional organizations to serve as Regional Health Hubs.

The committee amendments require the Commissioner of Human Services to designate and delineate the boundaries of each region of the State that is need of a new Regional Health Hub.

The committee amendments remove a requirement for organizations to apply to be Regional Health Hubs, and instead provide that the commissioner will evaluate organizations for designation as Regional Health Hubs.

The committee amendments remove language allowing Regional Health Hubs to enter into a memorandum of understanding with the DHS outlining the hub's goals, projects, and priorities for the year, to require instead that each hub submit an annual proposal outlining its goals, projects, and priorities, which will be subject to DHS approval. The amendments provide that between 10 and 25 percent of the funding provided to Regional Health Hubs may be made contingent on the hubs achieving deliverables and performance metrics outlined in the hub's annual proposal.

The committee amendments add provisions concerning funding for Regional Health Hubs, to clarify that they may be funded through the annual appropriations act as well as through other funding sources;

provided that nothing in the bill will affect funding appropriated in the fiscal year 2020 appropriations act.

The committee amendments remove provisions requiring managed care organizations and hospitals to share data with Regional Health Hubs. The amendments instead require Regional Health Hubs to maintain data sharing use and reciprocal support agreements with Statewide health information platforms designated by the commissioner.

The committee amendments require the DHS to share NJ FamilyCare claims data for beneficiaries residing within the Regional Health Hub's data catchment area to a Regional Health Hub and to enter into appropriate data sharing agreements for the exchange of such data. Data catchment areas may overlap with the core regions of other Regional Health Hubs.

The committee amendments make various technical revisions to update terminology used throughout the draft to reflect the committee amendments and to update various internal citations.

# SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

[First Reprint]

## **SENATE, No. 4282**

with committee amendments

# **STATE OF NEW JERSEY**

DATED: JANUARY 6, 2020

The Senate Budget and Appropriations Committee reports favorably and with committee amendments Senate Bill No. 4282 (1R).

As amended, this bill requires the Department of Human Services (DHS) to establish a Regional Health Hub Program and, in consultation with the Department of Health, designate Regional Health Hubs in appropriate areas of the State. The new Regional Health Hub Program will replace the Medicaid Accountable Care Organization Demonstration Project, established pursuant to P.L.2011, c.114 (C.30:4D-8.1 et seq.), which is now subject to expiration by law. Each Regional Health Hub will work to coordinate and improve the effectiveness and efficiency of health care and wrap-around services, and the engagement and cooperation of relevant stakeholders, in the region of the State in which it operates.

The following certified accountable care organizations (ACOs) and accountable care look-alike organizations, which are currently operating in New Jersey, will be grandfathered into the Regional Health Hub Program and automatically designated as Regional Health Hubs: 1) the Healthy Greater Newark ACO; 2) the Trenton Health Team; 3) the Camden Coalition of Health Care Providers; and 4) the Health Coalition of Passaic County.

The DHS will also be authorized to designate and certify additional non-profit organizations to operate as Regional Health Hubs under the Regional Health Hub Program, as determined to be appropriate.

The bill requires the Commissioner of Human Services, in consultation with the Commissioner of Health, to designate and delineate the boundaries of each region of the State that is in need of a new Regional Health Hub within six months after the effective date of the bill. The commissioner's delineation of prospective service regions is to be based on the following factors: 1) the availability of State and federal funding necessary to support the new Regional Health Hub, and the State's ability to provide necessary funding; 2) the number and density of Medicaid beneficiaries in the region; 3) the existence, in the region, of multiple health and social service systems of care that are in need of convening and coordination; and 4) the



volume, in the region, of avoidable inpatient hospital admissions and emergency department visits. Based on the analysis of these factors, the commissioner may designate any county, zip code, or group of zip codes in the State as a prospective service region. However, the boundaries of any prospective service region may not include any portion of a core region served by another Regional Health Hub.

Once an area has been designated by the commissioner as a prospective service region, the commissioner will be required to evaluate organizations for designation as the new Regional Health Hub for the prospective region. The commissioner will only be authorized to designate an organization as a new Regional Health Hub if the organization: is a registered New Jersey non-profit organization exempt from federal taxation under 26 U.S.C. s.501(c)3; submits a request identifying the proposed boundaries of the Regional Health Hub's anticipated core region; submits a request identifying the proposed boundaries of the Regional Health Hub's anticipated data catchment area; and demonstrates the ability to perform the mandatory functions of a Regional Health Hub. If more than one organization meets the criteria for designation as a Regional Health Hub in a prospective service region, designation of the Regional Health Hub will be at the commissioner's discretion based on a determination as to which organization will be best able to meet the needs of, and fulfill the bill's purposes within, the prospective service region.

Within 180 days after an organization is approved to operate as a Regional Health Hub, the organization will be required to:

- 1) establish and maintain a headquarters within the boundaries of the core region;
- 2) establish and convene an advisory committee of persons who reside or work in the core region, which committee is to include community members and representatives from organizations that exemplify the diversity of geography, gender, disability, age, sexual orientation, veterans' status, and prevalent health conditions in the core region; and
- 3) establish and convene a governing board that includes members from a majority of the following groups and entities, to the extent that such groups and entities are present in the core region: (a) hospitals or hospital systems; (b) Federally Qualified Health Centers; (c) private clinicians, including physicians and nurses; (d) community-based organizations such as behavioral health providers and social service agencies; (e) managed care organizations; (f) the Regional Health Hub's advisory committee established under the bill; and (g) health care consumers.

Each designated Regional Health Hub will be required to engage in the following mandatory activities:

- 1) establish, operate, and maintain a health information platform that allows for population-level views and analytics, and for patient-level health interventions, which platform is interoperable with all

other Regional Health Hubs' platforms, and with any other Statewide health information project designated by the commissioner;

2) convene and obtain relevant input from community stakeholders within the Regional Health Hub's core region. At a minimum, convening activities are to include quarterly opportunities for the active engagement and interaction of relevant stakeholders, including, but not limited to, managed care organizations, local and State government entities, health care and social service providers, community-based organizations, and local consumers of health care;

3) upon request, provide the DHS and other State agencies, including the Departments of Health, Children and Families, and Community Affairs, with information and feedback to assist the departments in program design, population analysis, strategic planning, and other appropriate functions; and

4) engage in any other activity that the Commissioner of Human Services deems necessary to achieve the bill's goals.

Each designated Regional Health Hub will also be authorized to engage in certain discretionary activities as necessary either to further the Regional Health Hub's goals or to comport with the provisions of an annual proposal submitted by each Regional Health Hub espousing its goals, projects, and priorities for the year. Regional Health Hub proposals are subject to approval by the DHS. Proposals will be required to include, at a minimum: 1) a description of the joint goals, projects, and priorities agreed upon by the Regional Health Hub and the department for the upcoming fiscal year; 2) an indication of the amount of funding that will be needed to attain each joint goal, project, and priority, and an indication of the total amount of funding, overall, that will be needed to execute the proposal; 3) a description of the clear deliverables and performance metrics that will be used to evaluate and measure success in relation to the achievement of the goals, projects, and priorities described in the proposal; and 4) a description of performance-based payments that will be tied to achieving deliverables and performance metrics, with a requirement that, each year, between 10 percent and 25 percent of the total funding provided by DHS to the Regional Health Hub will be made contingent on the hub achieving deliverables and performance metrics. The determination as to whether a Regional Health Hub has achieved its deliverables and performance metrics will be at the sole discretion of the DHS.

Regional Health Hubs may be funded through the annual appropriations act, as well as through other sources, such as funds available to advance Medicaid priorities using innovation projects.

The bill authorizes a designated Regional Health Hub to apply to the commissioner, at any time, for an expansion of its core region. The commissioner will be required to approve the requested expansion if: 1) the boundaries of the expanded core region will not overlap with the core region of another Regional Health Hub; 2) the area would otherwise qualify for designation as a prospective service region; and

3) the applicant demonstrates the ability to perform as a Regional Health Hub in the requested expansion area.

Regional Health Hubs are to maintain a data sharing use and reciprocal support agreement with any Statewide health information platform designated by the commissioner. The DHS is to make NJ FamilyCare claims data available to Regional Health Hubs to facilitate, among other tasks, population health work.

The commissioner will be authorized to revoke an organization's status as a Regional Health Hub if the organization fails to perform the mandatory activities required by the bill. After revoking an organization's status as a Regional Health Hub, the commissioner will be required to immediately determine whether a new Regional Health Hub is needed in the area and, if deemed appropriate, designate a new Regional Health Hub to serve the area.

Any State department that implements a pilot program related to health care delivery will be encouraged to consult with the Regional Health Hubs operating in the regions of the State that will be affected by the pilot program, in order to ensure that all relevant considerations have been accounted for, and that the pilot program is effectively and efficiently implemented with the assistance of all relevant stakeholders.

As reported by the committee with amendments, Senate Bill No. 4282 (1R) is identical to Assembly Bill 5977 (1R), which the committee also reported on this date with amendments.

#### COMMITTEE AMENDMENTS:

The committee amendments require the Commissioner of Human Services to consult with the Commissioner of Health when designating additional organizations to serve as Regional Health Hubs and when designating and delineating the boundaries of regions in the State that are in need for new Regional Health Hubs.

#### FISCAL IMPACT:

The Office of Legislative Services (OLS) estimates that this bill would increase State Medicaid expenditures for services provided to Medicaid beneficiaries by the newly-created Regional Health Hubs, which would replace the New Jersey Medicaid Accountable Care Organizations, established pursuant to P.L.2011, c.114 (C.30:4D-8.1 et seq.). Since State Medicaid expenditures are matched by federal funds, the OLS estimates that the bill would increase State revenues as well. The State's ability to claim federal Medicaid matching funds hinges on federal approval of these Medicaid state plan amendments or Medicaid waivers filed with the Centers for Medicare and Medicaid Services (CMS). Without access to detailed claims data for the services provided by the currently operating ACOs, the OLS cannot determine the magnitude of the increase in State costs under the bill, nor the magnitude of the increase in State revenues.

In addition, the bill authorizes the DHS to fund certain Regional Health Hub activities in accordance with the provisions of the annual appropriations act. Under the bill, anywhere from ten percent to 25 percent of funds appropriated by the department for a Regional Health Hub will be based on the Regional Health Hub's attainment of predetermined goals and performance metrics, as specified in an annual agreement negotiated between the commissioner and the Regional Health Hub. Because the activities specified in the annual agreement, and the cost of these activities, will vary by Regional Health Hub and by year, the OLS cannot determine the precise annual cost of these performance-based activities at this time.

The bill also specifies that funding for the Regional Health Hubs included in the Fiscal Year 2020 Appropriations Act is not subject to the provisions of the bill. Therefore, any additional funds required to fulfill the Regional Health Hubs' mandate in FY 2020 would require a supplemental appropriation.

# LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

## SENATE, No. 4282 STATE OF NEW JERSEY 218th LEGISLATURE

DATED: JANUARY 2, 2020

### SUMMARY

- Synopsis:** Provides for establishment of Regional Health Hub Program as replacement to Accountable Care Organization Demonstration Project, and designates existing accountable care organizations and look-alike organizations as Regional Health Hubs.
- Type of Impact:** Increase in State expenditures and revenue.
- Agencies Affected:** Department of Human Services.

<b>Fiscal Impact</b>	<b><u>Annual</u></b>
<b>State Cost Increase</b>	Indeterminate
<b>State Revenue Increase</b>	Indeterminate

- The Office of Legislative Services (OLS) estimates that this bill would increase State Medicaid expenditures for care provided to Medicaid beneficiaries by newly created Regional Health Hubs, which will replace the New Jersey Medicaid Accountable Care Organization (ACO) Demonstration Project, authorized pursuant to a 2011 law. Since State Medicaid expenditures are matched by federal funds, the OLS estimates that the bill would increase State revenues. However, without access to detailed claims data for the services provided by the Regional Health Hubs, the OLS cannot determine the magnitude of the increase in State costs under the bill, nor the amount of the increase in State revenues.
- In addition, the bill authorizes the Department of Human Services (DHS) to fund certain Regional Health Hub activities in accordance with the provisions of the annual appropriations act. Under the bill, anywhere from ten percent to 25 percent of funds appropriated by the department for a Regional Health Hub will be based on the Regional Health Hub's attainment of predetermined goals and performance metrics, as specified in an annual agreement negotiated between the commissioner and the Regional Health Hub. Because the activities specified in the annual agreement, and the cost of these activities, will vary by Regional Health Hub and by year, the OLS cannot determine the precise annual cost of these performance-based activities at this time.

- The bill also specifies that funding for the Regional Health Hubs included in the Fiscal Year 2020 Appropriations Act is not subject to the provisions of the bill. Therefore, any additional funds required to fulfill the Regional Health Hubs' mandate in FY 2020 would require a supplemental appropriation.

## **BILL DESCRIPTION**

This bill would require the DHS to establish a Regional Health Hub Program, and designate Regional Health Hubs in appropriate areas of the State. The new Regional Health Hub Program will replace the Medicaid ACO Demonstration Project, established pursuant to P.L.2011, c.114 (C.30:4D-8.1 et seq.), which is now subject to expiration by law. Each Regional Health Hub will work to coordinate and improve the effectiveness and efficiency of health care and wrap-around services, as well as the engagement and cooperation of relevant stakeholders, in the region of the State in which it operates.

The bill delineates the ACOs and ACO look-alike organizations, which currently operate in the State that are to be grandfathered into the Regional Health Hub Program, and automatically designated as Regional Health Hubs. The legislation authorizes the DHS to designate, as needed, additional non-profit organizations to operate as Regional Health Hubs under the Regional Health Hub Program.

Within six months of the bill's effective date, the Commissioner of Human Services will designate and delineate the boundaries of each region of the State that is in need of a new Regional Health Hub. The commissioner's delineation of prospective service regions is to be based on factors specified in this bill. Based on an analysis of these factors, the commissioner is authorized to designate any county, zip code, or group of zip codes in the State as a prospective service region. However, the bill stipulates that the boundaries of any prospective service region are not to overlap with any portion of a region served by another Regional Health Hub.

After the commissioner has designated an area as a prospective service region, the commissioner will evaluate organizations for designation as the Regional Health Hub for the prospective region. To be considered for designation as a new Regional Health Hub, organizations must meet certain criteria as identified in the bill. If more than one organization meets the criteria for designation as a Regional Health Hub in a prospective service region, the commissioner will be required to use his or her discretion to designate the organization that the commissioner determines will be best able to meet the needs of, and fulfill the bill's purposes within, the prospective service region.

Within 180 days after an organization is approved to operate as a Regional Health Hub, the organization will have to meet certain requirements delineated in this legislation.

Each designated Regional Health Hub will be required to engage in mandatory activities delineated in the bill. Also, the designated Regional Health Hub will be authorized to engage in the certain discretionary activities as necessary either to further the Regional Health Hub's goals or to comport with the provisions of the proposal submitted by the Regional Health Hub to the department. Each proposal will be required to include certain information as specified in the bill. Each year, at least 10 percent, but no more than 25 percent of the total funding provided by the department to each Regional Health Hub will be contingent upon the Regional Health Hub's achievement of such deliverables and performance metrics. Determination of whether a Regional Health Hub has achieved such deliverables and performance metrics is at the sole discretion of the department.

The bill would authorize a designated Regional Health Hub to apply to the commissioner, at any time, for an expansion of its core region. The commissioner may approve the requested expansion if certain criteria are met, as described in the bill.

The commissioner will be authorized to revoke an organization's status as a Regional Health Hub if the organization fails to perform the mandatory activities required by the bill. After revoking an organization's status as a Regional Health Hub, the commissioner will be required to immediately determine whether a new Regional Health Hub is needed in the area and, if deemed appropriate, designate a new Regional Health Hub to serve the area.

Under the bill, a Regional Health Hub may be funded in part by the department, in accordance with the provisions of the annual appropriations act; however, the funding appropriated in the Fiscal Year 2020 Appropriations Act is not subject to the provisions of the bill. In addition to such funding, the commissioner has the discretion to support a Regional Health Hub's innovation projects that advance Medicaid priorities using other available dollars as appropriate. A Regional Health Hub is not to receive funding until the Regional Health Hub has submitted an annual proposal, as described in the bill.

Any State department that implements a pilot program related to health care delivery will be encouraged to consult with the Regional Health Hubs operating in the regions of the State that will be affected by the pilot program, in order to ensure that all relevant considerations have been accounted for, and that the pilot program is effectively and efficiently implemented with the assistance of all relevant stakeholders.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None received.

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

The OLS estimates that this bill would increase State Medicaid expenditures for care provided to Medicaid beneficiaries by newly created Regional Health Hubs, which will replace the New Jersey Medicaid Accountable Care Organization (ACO) Demonstration Project, authorized pursuant to a 2011 law. Since State Medicaid expenditures are matched by federal funds, the OLS estimates that the bill would increase State revenues. However, without access to detailed claims data for the services provided by the Regional Health Hubs, the OLS cannot determine the magnitude of the increase in State costs under the bill, nor the amount of the increase in State revenues.

The bill directs the Commissioner of Human Services to apply for any State plan amendments or waivers needed to secure federal financial participation for any State Medicaid expenditures. However, the State's ability to claim federal Medicaid matching funds hinges on federal approval of these Medicaid state plan amendments or Medicaid waivers filed with the Centers for Medicare and Medicaid Services.

In addition, the bill authorizes the DHS to fund certain Regional Health Hub activities in accordance with the provisions of the annual appropriations act. Under the bill, anywhere from ten percent to 25 percent of funds appropriated by the department for a Regional Health Hub will be based on the Regional Health Hub's attainment of predetermined goals and performance metrics, as specified in an annual agreement negotiated between the commissioner and the Regional Health Hub. Because the activities specified in the annual agreement, and the cost of

these activities, will vary by Regional Health Hub and by year, the OLS cannot determine the precise annual cost of these performance-based activities at this time.

The bill also specifies that funding for the Regional Health Hubs included in the Fiscal Year 2020 Appropriations Act is not subject to the provisions of the bill. Therefore, any additional funds required to fulfill the Regional Health Hubs' mandate in FY 2020 would require a supplemental appropriation.

*Section: Human Services*

*Analyst: Anne Cappabianca  
Assistant Research Analyst*

*Approved: Frank W. Haines III  
Legislative Budget and Finance Officer*

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

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



# LEGISLATIVE FISCAL ESTIMATE

[Second Reprint]

**SENATE, No. 4282**

## **STATE OF NEW JERSEY 218th LEGISLATURE**

DATED: JANUARY 14, 2020

### **SUMMARY**

- Synopsis:** Provides for establishment of Regional Health Hub Program as replacement to Accountable Care Organization Demonstration Project, and designates existing accountable care organizations and look-alike organizations as Regional Health Hubs.
- Type of Impact:** Increase in State expenditures and revenue.
- Agencies Affected:** Department of Human Services, Division of Medical Assistance and Health Services.

#### **Office of Legislative Services Estimate**

<b>Fiscal Impact</b>	<b><u>Annual</u></b>
<b>State Cost Increase</b>	Indeterminate
<b>State Revenue Increase</b>	Indeterminate

- The Office of Legislative Services (OLS) estimates that this bill would increase State Medicaid expenditures for care provided to Medicaid beneficiaries by newly created Regional Health Hubs, which will replace the New Jersey Medicaid Accountable Care Organization (ACO) Demonstration Project, authorized pursuant to a 2011 law. Since State Medicaid expenditures are matched by federal funds, the OLS estimates that the bill would increase State revenues. However, without access to detailed claims data for the services provided by the Regional Health Hubs, the OLS cannot determine the magnitude of the increase in State costs under the bill, nor the amount of the increase in State revenues.
- In addition, the bill authorizes the Department of Human Services (DHS) to fund certain Regional Health Hub activities in accordance with the provisions of the annual appropriations act. Under the bill, anywhere from ten percent to 25 percent of funds appropriated by the department for a Regional Health Hub will be based on the Regional Health Hub's attainment of predetermined goals and performance metrics, as specified in an annual agreement negotiated between the commissioner and the Regional Health Hub, and approved by the department, in consultation with the Department of Health. Because the activities specified in the annual agreement, and the cost of these activities, will vary by Regional Health Hub and

by year, the OLS cannot determine the precise annual cost of these performance-based activities at this time.

- The bill also specifies that funding for the Regional Health Hubs included in the fiscal year 2020 Appropriations Act is not subject to the provisions of the bill. Therefore, any additional funds required to fulfill the Regional Health Hubs' mandate in Fiscal Year 2020 would require a supplemental appropriation.

## **BILL DESCRIPTION**

This bill would require the DHS to establish a Regional Health Hub Program, and designate Regional Health Hubs in appropriate areas of the State. The new Regional Health Hub Program will replace the Medicaid ACO Demonstration Project, established pursuant to P.L.2011, c.114 (C.30:4D-8.1 et seq.), which is now subject to expiration by law. Each Regional Health Hub will work to coordinate and improve the effectiveness and efficiency of health care and wrap-around services, as well as the engagement and cooperation of relevant stakeholders, in the region of the State in which it operates.

The bill specifies the ACOs and ACO look-alike organizations, which currently operate in the State, which are to be grandfathered into the Regional Health Hub Program, and automatically designated as Regional Health Hubs. The legislation authorizes the DHS, in consultation with the Department of Health, to designate, as needed, additional non-profit organizations to operate as Regional Health Hubs under the Regional Health Hub Program.

Within six months of the bill's effective date, the Commissioner of Human Services, in consultation with the Department of Health, will designate and delineate the boundaries of each region of the State that is in need of a new Regional Health Hub. The commissioner's delineation of prospective service regions is to be based on factors specified in this bill. Based on an analysis of these factors, the commissioner is authorized to designate any county, zip code, or group of zip codes in the State as a prospective service region. However, the bill stipulates that the boundaries of any prospective service region are not to overlap with any portion of a region served by another Regional Health Hub.

After the commissioner has designated an area as a prospective service region, the commissioner will evaluate organizations for designation as the Regional Health Hub for the prospective region. To be considered for designation as a new Regional Health Hub, organizations must meet certain criteria as identified in the bill. If more than one organization meets the criteria for designation as a Regional Health Hub in a prospective service region, the commissioner will be required to use his or her discretion to designate the organization that the commissioner determines will be best able to meet the needs of, and fulfill the bill's purposes within, the prospective service region.

Within 180 days after an organization is approved to operate as a Regional Health Hub, the organization will have to meet certain requirements delineated in this legislation.

Each designated Regional Health Hub will be required to engage in mandatory activities delineated in the bill. Also, the designated Regional Health Hub will be authorized to engage in the certain discretionary activities as necessary either to further the Regional Health Hub's goals or to comport with the provisions of the proposal submitted by the Regional Health Hub to the department. Each proposal will be required to include certain information as specified in the bill. Each year, at least 10 percent, but no more than 25 percent of the total funding provided by the department to each Regional Health Hub will be contingent upon the Regional Health Hub's achievement of such deliverables and performance metrics. Determination of whether a Regional

Health Hub has achieved such deliverables and performance metrics is at the sole discretion of the department.

The bill would authorize a designated Regional Health Hub to apply to the commissioner, at any time, for an expansion of its core region. The commissioner may approve the requested expansion if certain criteria are met, as described in the bill.

The commissioner will be authorized to revoke an organization's status as a Regional Health Hub if the organization fails to perform the mandatory activities required by the bill. After revoking an organization's status as a Regional Health Hub, the commissioner will be required to immediately determine whether a new Regional Health Hub is needed in the area and, if deemed appropriate, designate a new Regional Health Hub to serve the area.

Under the bill, a Regional Health Hub may be funded in part by the department, in accordance with the provisions of the annual appropriations act; however, the funding appropriated in the Fiscal Year 2020 Appropriations Act is not subject to the provisions of the bill. In addition to such funding, the commissioner has the discretion to support a Regional Health Hub's innovation projects that advance Medicaid priorities using other available dollars as appropriate. A Regional Health Hub is not to receive funding until the Regional Health Hub has submitted an annual proposal, as described in the bill.

Any State department that implements a pilot program related to health care delivery will be encouraged to consult with the Regional Health Hubs operating in the regions of the State that will be affected by the pilot program, in order to ensure that all relevant considerations have been accounted for, and that the pilot program is effectively and efficiently implemented with the assistance of all relevant stakeholders.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None received.

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

The OLS estimates that this bill would increase State Medicaid expenditures for care provided to Medicaid beneficiaries by newly created Regional Health Hubs, which will replace the New Jersey Medicaid Accountable Care Organization (ACO) Demonstration Project, authorized pursuant to a 2011 law. Since State Medicaid expenditures are matched by federal funds, the OLS estimates that the bill would increase State revenues. However, without access to detailed claims data for the services provided by the Regional Health Hubs, the OLS cannot determine the magnitude of the increase in State costs under the bill, nor the amount of the increase in State revenues.

The bill directs the Commissioner of Human Services to apply for any State plan amendments or waivers needed to secure federal financial participation for any State Medicaid expenditures. However, the State's ability to claim federal Medicaid matching funds hinges on federal approval of these Medicaid state plan amendments or Medicaid waivers filed with the Centers for Medicare and Medicaid Services.

In addition, the bill authorizes the DHS to fund certain Regional Health Hub activities in accordance with the provisions of the annual appropriations act. Under the bill, anywhere from ten percent to 25 percent of funds appropriated by the department for a Regional Health Hub will be based on the Regional Health Hub's attainment of predetermined goals and performance metrics, as specified in an annual agreement negotiated between the commissioner and the

Regional Health Hub, and approved by the department, in consultation with the Department of Health. Because the activities specified in the annual agreement, and the cost of these activities, will vary by Regional Health Hub and by year, the OLS cannot determine the precise annual cost of these performance-based activities at this time.

The bill also specifies that funding for the Regional Health Hubs included in the Fiscal Year 2020 Appropriations Act is not subject to the provisions of the bill. Therefore, any additional funds required to fulfill the Regional Health Hubs' mandate in FY 2020 would require a supplemental appropriation.

*Section: Human Services*

*Analyst: Anne Cappabianca  
Assistant Fiscal Analyst*

*Approved: Frank W. Haines III  
Legislative Budget and Finance Officer*

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

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

# Governor Murphy Takes Action on Legislation

01/21/2020

**TRENTON** – Today, Governor Phil Murphy signed the following bills into law:

**S-62/A-2478 (Singleton, Oroho/DeAngelo, Houghtaling, Space)** – Requires certain contractors to register under "The Public Works Contractor Registration Act"

**S-358/A-4587 (Rice/Sumter, Reynolds-Jackson)** – Establishes database with certain information about individuals elected to public office in this State

**S-376/A-3839 (Madden, Gopal/Moriarty, Lagana, Mukherji, Murphy)** – Eliminates eligibility time limit on tuition benefits for spouses of certain public safety workers killed in performance of their duties

**S-497/A-4626 (Vitale, Madden/Mosquera, McKnight, Vainieri Huttle)** – Allows certain prior statements by children to be admitted into evidence in child abuse and termination of parental rights cases

**S-498/ACS for A-3391 (Vitale, Oroho/DeCroce, Johnson, DiMaso)** – Makes various changes to "Criminal Injuries Compensation Act of 1971"

**S-521/A-4378 (T. Kean, C.A. Brown, Pou, Ruiz/Caputo, Mukherji, Vainieri Huttle)** – Requires NJ State Council on Arts to establish "Artist District" designation and select certain municipalities or areas within municipalities for such designation

**S-589/ACS for A-422 (Weinberg/Mosquera, Jones, Moriarty)** – Requires Secretary of State to establish secure Internet website for online voter registration; authorizes use of digitized signatures from New Jersey Motor Vehicle Commission's database

**S-700/A-3836 (Ruiz, Cunningham/Schaer, Mukherji, Jasey)** – "Higher Education Citizenship Equality Act"; defines domicile for dependent students for purpose of eligibility for State student grants and scholarships, and resident tuition rate

**S-721/A-1751 (Greenstein, Cunningham, Diegnan/Quijano, Benson)** – Authorizes use of certain electric school buses

**S-758/A-1987 (Cunningham, Cruz-Perez/Sumter, Mukherji, Quijano)** – Requires incarcerated individual from State to be counted at residential address for legislative redistricting purposes

**S-765/A-541 (Cunningham, T. Kean, Ruiz/Mazzeo, Jasey, Vainieri Huttle, Sumter, Benson)** – Prohibits Higher Education Student Assistance Authority from referring defaulted loans under New Jersey College Loans to Assist State Students (NJCLASS) Loan Program for certain actions if authority and borrower have entered into settlement agreement

**S-782/A-1110 (Sarlo, Scutari/Downey, Houghtaling, Dancer)** – Increases workers' compensation for loss of hand or foot

**S-834 wGR/A-4186 (Scutari, Greenstein/Jones, Pintor Marin)** – Prohibits resale of non-prescription diabetes test devices by pharmacists

**S-939/A-3331 (Pou/Vainieri Huttle, Lopez, McKnight)** – Requires forms and materials for individuals with developmental disabilities to be available in languages other than English

**S-974/A-3040 (Singleton, T. Kean/Vainieri Huttle, Timberlake, Mosquera)** – Requires newborn infants be screened for spinal muscular atrophy

- S-1032/A-2389 (Vitale, Gopal/Schaer, Benson, Verrelli)** – Concerns expansion of services provided by DHS mental health screening services
- S-1146/A-2365 (Codey, Rice/Vainieri Huttle, Mukherji, Downey)** – Requires hospital patient's medical record to include notation if patient is at increased risk of confusion, agitation, behavioral problems, and wandering due to dementia related disorder
- S-1298/ACS for A-2972 (A.M. Bucco, Singleton/Mazzeo, Dunn, Space)** – Permits municipalities to provide information on property tax bills concerning amount of local tax dollars saved through shared services
- S-1318/A-3156 (Ruiz, Scutari/Lampitt, Mosquera)** – Permits counties and non-governmental, community-based agencies to establish family justice centers which provide coordinated, multi-agency governmental and non-governmental assistance to victims of certain crimes and offenses, including domestic violence, and their family members
- S-1505/A-1707 (Vitale/Vainieri Huttle, Lampitt, Benson, Mosquera)** – Expands membership of NJ Task Force on Child Abuse and Neglect
- S-1647/A-3181 (Diegnan, Codey/Conaway, Vainieri Huttle, Benson, Murphy)** – Prohibits use of coupons, price rebates, and price reduction promotions in sales of tobacco and vapor products
- S-1683/A-4267 (Smith, Greenstein/McKeon, Space, Wirths)** – Concerns regulation of solid waste, hazardous waste, and soil and fill recycling industries
- S-1703/A-715 (Connors, Holzapfel/Gove, Rumpf, DiMaso)** – Exempts disabled veterans from beach buggy permit fees
- S-1791/A-3414 (Weinberg/Johnson, Vainieri Huttle, Houghtaling)** – Requires employers to disclose certain wage information to employees
- S-1796/A-4693 (Addiego, Sweeney/Murphy)** – Permits school district of residence to provide aid in-lieu-of transportation to pupil attending Marine Academy of Science and Technology provided certain conditions are met
- S-1832/A-211 (Ruiz, Sarlo/Chiaravalloti, Zwicker, Pintor Marin)** – Establishes loan redemption program and tuition reimbursement program for certain teachers of science, technology, engineering, and mathematics
- S-2267/A-3616 (Sweeney, Corrado/Burzichelli, Holley, Calabrese)** – Gives State lottery winners option of remaining anonymous indefinitely
- S-2303/A-4843 (Sweeney, Ruiz, Cunningham/Wimberly, Karabinchak, Calabrese)** – Requires establishment of Work and Learn Consortiums by certain educational institutions to establish certificate and degree programs identified in high labor-demand industries
- S-2389 wGR/A-5449 (Singleton/Quijano, Downey, Houghtaling, Moriarty)** – Requires New Jersey State Board of Pharmacy to establish prescription drug pricing disclosure website and certain pharmaceutical manufacturing companies to provide prescription drug price information
- S-2428/A-4965 (Scutari/Quijano, Vainieri Huttle)** – Requires that massage and bodywork therapists and employers carry professional liability insurance
- S-2469/A-3745 (Singleton, Oroho/Wirths, Mazzeo, Space)** – Prohibits person from contracting for public work if person is federally debarred from receiving federal contract
- S-2511/A-4020 (Madden/Mazzeo, Murphy, Johnson)** – Changes title of DEP "conservation officer" to "conservation police officer"
- S-2521/A-4087 (Cryan, Greenstein/Vainieri Huttle, Lopez, Timberlake)** – Requires reporting of inmate abuse by employees of State correctional facilities and establishes reporting and investigation program
- S-2522/A-4090 (Cryan, Greenstein/Vainieri Huttle, Lopez, Timberlake)** – Limits cross gender strip searches in

## State correctional facilities

**S-2532/A-4086 (Greenstein, Cruz-Perez/Vainieri Huttle, Lopez, Timberlake)** – Requires correctional police officers receive 20 hours in-service training, including four hours in prevention of sexual misconduct, non-fraternization, and manipulation

**S-2555/A-3990 (Gopal, Ruiz/Mukherji, Benson, Karabinchak)** – Allows dependent students whose parents or guardians hold H-1B visas to qualify for in-State tuition at public institutions of higher education provided they meet certain criteria

**S-2564/A-3519 (Turner, Singleton/Benson, McKnight, Jasey)** – Establishes "Restorative Justice in Education Pilot Program" in Department of Education

**SCS for S-2599/ACS for A-1268 (Bateman, Beach/Tucker, Conaway, Lampitt, Quijano)** – Authorizes veterans' property tax exemption and veterans' property tax deduction for honorably discharged veterans of United States Armed Forces who did not serve in time of war or other emergency

**S-2826/A-3274 (Greenstein/Vainieri Huttle, Dancer, Benson)** – Requires institutions of higher education to offer cats and dogs no longer used for educational, research, or scientific purposes for adoption; designated the "Homes for Animal Heroes Act"

**S-2849/A-4590 (A.M. Bucco/DiMaio, Caputo, Dunn)** – Designates Seeing Eye® dog as State Dog

**S-3036/A-1697 (Lagana, Scutari/Dancer, Downey)** – Prohibits medical providers from reporting certain workers' compensation medical charges to collection and credit reporting agencies

**S-3061/A-4603 (Ruiz, Greenstein/Lampitt, Mukherji, Benson)** – Provides corporation business tax and gross income tax credits for businesses that participate in DOL registered apprenticeship programs; establishes grant program for tax-exempt organizations participating in DOL registered apprenticeship programs

**S-3065/A-4657 (Ruiz, Singleton/Armato, Benson, Timberlake)** – Establishes youth apprenticeship pilot program in Department of Education

**S-3067/A-4602 (Ruiz, Singleton/Lampitt, Reynolds-Jackson, Sumter)** – Establishes five year Apprentice Assistance and Support Services Pilot Program

**S-3116/A-4683 (Ruiz/Speight, Munoz, Tucker)** – Requires certain medical facilities to undertake end-of-life planning and training

**S-3117/A-4685 (Ruiz/Speight, Pinkin, Munoz)** – Requires emergency departments to take certain measures concerning palliative care for patients

**S-3126/A-4107 (Gopal/Benson, DeCroce, Chiaravalloti)** – Requires drivers to stop at railroad crossing when on-track equipment is approaching railroad crossing

**S-3170/A-5145 (Cryan, Pou/Quijano, Milam, Land)** – Increases prenotification time and requires severance pay in certain plant closings, transfers, and mass layoffs

**S-3227/A-5261 (Gopal/Tully, Pinkin, Swain)** – Requires restaurants to post signs advising customers to notify servers of food allergies; requires restaurant managers to complete food allergen training

**S-3265/A-3178 (Turner, Codey, Vitale/Conaway, Murphy, Vainieri Huttle)** – Prohibits sale or distribution of flavored vapor products

[Copy of Statement](#)

**S-3330 wGR/A-5066 (Addiego, Singleton/Jones, Vainieri Huttle, Lampitt, Murphy)** – Establishes pilot program in DCF to study impact of child care services provided by community providers operating in public school facilities; requires community providers to meet certain criteria

**S-3422/A-6056 (Singer, T. Kean/Houghtaling, Downey, Vainieri Huttle)** – Requires declaration of Code Blue

alert when National Weather Service predicts temperatures of 32 degrees Fahrenheit or lower

**S-3468/A-5105 (Sweeney, Singleton/Murphy, Karabinchak, Vainieri Huttie)** – Establishes Task Force on Maximizing Employment for People with Disabilities

**S-3511/A-5298 (Singer, T. Kean/Mukherji, Vainieri Huttie, Downey)** – Authorizes certain health care and social service resources to be made available during Code Blue alert

**S-3581/A-5963 (Singleton/Lopez, Quijano)** – Prohibits certain business financing contracts that contain judgment by confession provisions

**S-3685/A-5345 (Sarlo, Singleton/Mukherji, Conaway, McKnight)** – Establishes program to increase participation of underrepresented students in New Jersey's science and engineering workforce

**S-3756/A-6115 (Ruiz, Sarlo, O'Scanlon/Jasey, Jones, Wirths)** – Requires limited purpose regional school districts to coordinate with constituent districts regarding school calendar and curriculum

**S-3763/A-6116 (Addiego, Bateman, Sarlo/DeAngelo, Dancer, Space)** – Renames joint meetings as regional service agencies; grandfathers existing joint meetings

**S-3869/A-5561 (Sarlo/Burzichelli, Houghtaling)** – Prohibits local governments from imposing fines on alarm companies in certain circumstances

**S-3871/A-5427 (Bateman, Scutari/DePhillips, McKeon)** – Adds member from Retired Judges Association of New Jersey to State Investment Council

**SCS for S-3878/ACS for A-5394 (Ruiz, Weinberg, Cunningham/Moriarty, McKnight, Pinkin)** – Reaffirms and clarifies that Attorney General and Division on Civil Rights may initiate actions in Superior Court to enforce "Law Against Discrimination"

**S-3920 wGR/A-5552 (Pou/Wimberly, Sumter)** – Concerns provision of energy to certain manufacturing facilities by providing exemptions to certain energy related taxes

**S-3923/A-5680 (Madden, Singleton/Giblin, Timberlake, Murphy)** – Concerns labor harmony agreements for hospitality projects

**SCS for S-3939 and 3944/ACS for A-5681 and 5682 (Smith, Greenstein, Bateman, Codey/Pinkin, Lopez, McKeon)** – Establishes Recycling Market Development Council

**S-3985/A-5663 (Smith/McKeon, Pinkin, Vainieri Huttie)** – Amends "Electric Discount and Energy Competition Act" to add definition of "open access offshore wind transmission facility" and revises law concerning "qualified offshore wind projects"

**S-4025/A-5695 (Pou/Wimberly, Sumter)** – Makes FY 2020 language allocation of \$1,000,000 appropriated to Grants for Urban Parks to Hinchliffe Stadium in Paterson

**S-4162/A-6014 (Smith, Greenstein/Vainieri Huttie, Pinkin, Houghtaling)** – Establishes NJ Climate Change Resource Center at Rutgers University; appropriates up to \$500,000

**S-4165/A-4364 (Rice/Giblin, Caputo, Tucker)** – Expands University Hospital board of directors membership from 11 to 13 members

**S-4188/A-6075 (Beach/Murphy, Dancer, Lampitt)** – "Lindsay's Law"; provides tax benefits to organ and bone marrow donors and their employers, and provides paid time off to donors who are State or local government employees

**S-4200/A-5855 (Ruiz, Turner/Coughlin, Lampitt, Holley)** – Requires State to pay difference between federal allocation and total cost of reduced price breakfast or lunch; appropriates \$4.5 million

**S-4247/A-6049 (Gopal, O'Scanlon/Conaway, Houghtaling, Downey)** – Establishes criteria for distribution of Fiscal Year 2020 funding to Community Food Bank of New Jersey and partner organizations



**S-4264/A-5962 (Pou/Wimberly, Sumter, Calabrese)** – Designates State Highway Route 19 as "William J. Pascrell Jr. Highway"

**S-4275/A-6088 (Smith, Greenstein/Burzichelli)** – Allows BPU to increase cost to customers of Class I renewable energy requirement for energy years 2022 through 2024, under certain conditions

**S-4276/A-6109 (Corrado, Bateman/Armato, Calabrese, Land)** – Appropriates \$32,153,936 to State Agriculture Development Committee, and amends 2017 appropriations for stewardship activities, for farmland preservation purposes

**S-4277/A-6112 (Greenstein, Bateman/Freiman, Danielsen, Downey)** – Appropriates \$5,000,000 from constitutionally dedicated CBT revenues to State Agriculture Development Committee for municipal planning incentive grants for farmland preservation purposes

**S-4278/A-6108 (Greenstein, Bateman/Taliaferro, Karabinchak, Kennedy)** – Appropriates \$21 million from constitutionally dedicated CBT revenues to State Agriculture Development Committee for county planning incentive grants for farmland preservation purposes

**S-4279/A-6106 (Smith, Bateman/Houghtaling, Reynolds-Jackson, Pinkin)** – Appropriates \$1,350,000 from constitutionally dedicated CBT revenues to State Agriculture Development Committee for grants to certain nonprofit organizations for farmland preservation purposes

**S-4286/A-5890 (Vitale/Swain, Jones)** – Clarifies procedures concerning collection of child support on behalf of child over age 19 when court has ordered such support

**S-4309/A-6107 (Turner, Cruz-Perez/Mejia, Vainieri Huttie, Zwicker)** – Appropriates \$13,902,723 from constitutionally dedicated CBT revenues to NJ Historic Trust for grants for certain historic preservation projects and associated administrative expenses

**S-4310/A-6114 (Codey, Bateman/Carter, Murphy, Lopez)** – Appropriates \$8,872,682 to DEP from constitutionally dedicated CBT revenues for grants to certain nonprofit entities to acquire or develop lands for recreation and conservation purposes

**S-4311/A-6113 (Greenstein, Bateman/Speight, Mukherji, Verrelli)** – Appropriates \$77,450,448 from constitutionally dedicated CBT revenues and various Green Acres funds to DEP for local government open space acquisition and park development projects

**S-4312/A-6111 (Smith, Bateman/Giblin, Mazzeo, Land)** – Appropriates \$36.143 million from constitutionally dedicated CBT revenues for recreation and conservation purposes to DEP for State capital and park development projects

**S-4313/A-6110 (Corrado, Bateman/Moriarty, McKeon, Swain)** – Appropriates \$33.915 million from constitutionally dedicated CBT revenues to DEP for State acquisition of lands for recreation and conservation purposes, including Blue Acres projects

**SCS for S-4315/ACS for A-6063 (Beach, Turner/Jones, Zwicker)** – Creates fund to reimburse local units of government for cost of certain mail-in ballot procedures; appropriates \$3,000,000

**SJR-51/AJR-189 (Rice, Turner/Verrelli, Reynolds-Jackson, Sumter)** – Establishes the "New Jersey State Commission on Urban Violence"

**SJR-65/AJR-90 (Weinberg, Addiego/DiMaso, Vainieri Huttie, Schepisi)** – Designates March 19th "Women in Public Office Day" in New Jersey

**SJR-80/AJR-121 (Lagana, Weinberg/Jones, Benson, Chiaravalloti, DeCroce)** – Urges federal government to adhere to commitment to improve Northeast Corridor rail infrastructure by providing funding to complete Gateway Program

**SJR-125/AJR-169 (Gopal, Codey/Wolfe, Pinkin)** – Designates the second week of October of each year as "Obesity Care Week" in NJ

- A-344/S-1575 (Murphy, McKeon, Timberlake/Cruz-Perez, Singleton)** – Revises certain aspects of the New Jersey Individual Development Account Program
- A-1040/S-3928 (Houghtaling, Taliaferro/Andrzejczak)** – Establishes NJ "Landowner of the Year" award program
- A-1146/S-4330 (Wimberly, Holley/Pou, Singleton)** – Establishes "New Jersey Investing in You Promise Neighborhood Commission"
- A-1277/S-2629 (Tucker, Holley, Lopez/Singleton, Gopal)** – Requires hospitals and homeless shelters to provide information on services and resources to individuals who are homeless or military veterans
- A-1449/S-3168 (Benson, DeAngelo/Greenstein, Turner)** – Provides job security to certain organ and bone marrow donors
- A-1477/S-3228 (Chaparro, Vainieri Huttle, Benson, Jimenez, Mukherji, Downey/Gopal, Scutari)** – Establishes Statewide Hit and Run Advisory Program to facilitate apprehension of persons fleeing motor vehicle accident scene; designated as "Zackhary's Law"
- A-1478/S-1648 (Chaparro, Vainieri Huttle/Diegnan, T. Kean)** – Revises law governing theater liquor licenses
- A-1604/S-2734 (Conaway, Murphy, Jimenez/Singleton)** – "Recreational Therapists Licensing Act"
- A-1796/S-2609 (McKeon, Downey/Lagana, Gopal)** – Prevents criminal defendant from asserting "gay and transgender panic" defense to murder charge in order to reduce charge to manslaughter committed in heat of passion
- A-1924/S-2930 (Mukherji, A.M. Bucco, DeAngelo, DeCroce/Beach)** – Exempts certain honorably discharged United States military veterans from initial insurance producer licensing fee
- A-1992/S-1780 (Sumter, Benson, Vainieri Huttle, Houghtaling, Wimberly/Diegnan, Turner)** – "New Jersey Call Center Jobs Act"
- A-2183/S-1687 (Land, Johnson/Cruz-Perez, Andrzejczak)** – "Music Therapist Licensing Act"
- ACS for A-2431 wGR/SCS for S-1865 (Benson, Jimenez, DeCroce/Weinberg, T. Kean)** – Requires health insurers to provide plans that limit patient cost-sharing concerning certain prescription drug coverage
- ACS for A-2444 and S-2656/S-2081 (Benson, Lampitt, Pinkin, Mukherji/Turner, Singleton)** – Provides for coverage of comprehensive tobacco cessation benefits in Medicaid
- A-2767/S-2924 (Greenwald, Mosquera, McKnight/Greenstein, Singleton)** – Amends certain provisions of sexual assault statute to clarify elements necessary for conviction
- A-3312/S-1972 (Murphy, Lagana, Downey, Sumter/Gopal, Corrado)** – Requires Legislature to adopt and distribute policy prohibiting sexual harassment; requires members, officers, and employees of Legislature to complete online training on policy once every two years
- A-3670/S-995 (Benson, Giblin, Murphy/Vitale, Weinberg)** – Provides for designation of acute stroke ready hospitals, establishes Stroke Care Advisory Panel and Statewide stroke database, and requires development of emergency medical services stroke care protocols
- ACS for A-4136/SCS for S-2675 (Land, Milam/Andrzejczak, Van Drew)** – Establishes Possession In Excess of Daily Limit Vessel License for black sea bass and summer flounder; dedicates fees therefrom to marine fisheries programs
- A-4147/S-2744 (Lampitt, Houghtaling, Zwicker/Ruiz, Corrado)** – Requires school districts and nonpublic schools to conduct audit of security features of buildings, grounds, and communication systems and to submit audit to NJ Office of Homeland Security and Preparedness and DOE

- A-4150/S-2742 (Lampitt, Jones, Timberlake/Ruiz, Corrado)** – Requires meeting between student and appropriate school personnel after multiple suspensions or proposed expulsion from public school to identify behavior or health difficulties
- A-4151/S-2745 (Swain, Tully, Jasey/Ruiz, Corrado)** – Requires school security training for persons employed by public and nonpublic schools in substitute capacity and for employees and volunteers of youth programs operated in school buildings
- A-4260/S-4335 (Timberlake, Giblin, Tucker, Caputo/Pou, Scutari)** – Prohibits sale of certain toy guns and imitation firearms
- A-4370/S-2919 (Carroll/A.M. Bucco)** – Increases membership of board of trustees of Washington Association of New Jersey
- A-4377/S-2934 (Benson, Land, DeCroce/Greenstein)** – Requires DOT and OIT to develop materials concerning capabilities of airports in NJ and establishes "Public Use Airports Task Force"
- A-4517/S-4341 (Wimberly, Speight, Reynolds-Jackson/Singleton, Cunningham)** – Establishes "New Jersey Eviction Crisis Task Force"
- A-4529/S-3191 (Mazzeo, Armato/Gopal, Andrezejczak)** – Concerns reimbursements to Superstorm Sandy-impacted homeowners subjected to contractor fraud
- A-4563/S-3096 (Zwicker, Benson/Greenstein, Gill)** – Prohibits use of bots to deceive person about origin and content of communication for certain commercial or election purposes
- A-4564/S-3087 (Zwicker, Freiman/Greenstein)** – Establishes "Voting Precinct Transparency Act;" requires filing of election district, county district, and municipal ward boundary data with Secretary of State for posting and download on official website with matching election results data
- A-4699/S-2938 (Moriarty, Burzichelli, Bramnick/Turner)** – Regulates annual report filing services
- A-4803/S-4211 (Greenwald, Johnson, Pintor Marin/Cryan, Vitale)** – Authorizes certain entities to directly bill Victims of Crime Compensation Office for counseling services provided to victims of firearm and stabbing crimes
- A-4822/S-3408 (Wimberly, Tully, Swain/Singleton, Greenstein)** – Permits municipalities to lease vacant municipal land for tiny home occupancy; directs DCA to enhance regulatory guidance on acceptable tiny home construction and use
- A-4904 wGR/S-3347 (Mukherji, Quijano, Mazzeo/Cryan, Sweeney)** – Concerns property taxes due and owing on real property owned by certain federal employees or contractors under certain circumstances
- A-4954/S-3368 (Quijano, Murphy, Carter/Singleton, Greenstein)** – Revises requirements for provision of counseling and support services to emergency services personnel
- ACS for A-4972/SCS for S-1490 (Moriarty/Beach, Scutari)** – Establishes certain consumer protections related to arbitration organizations
- A-4978 wGR/S-3498 (Timberlake, Zwicker, Vainieri Huttle/Greenstein, Cryan)** – Prohibits online education services from using and disclosing certain information, engaging in targeted advertising, and requires deletion of certain information in certain circumstances
- A-5023/S-3467 (McKnight, Mukherji, Chaparro, Chiaravalloti/Cunningham)** – Exempts from DOT permitting requirements certain signs not located in protected areas that have been approved by municipality
- A-5028/S-3523 (Mukherji, Conaway, Pintor Marin/Vitale, Diegnan)** – Establishes "James Nicholas Rentas's Law," revises "New Jersey SmokeFree Air Act"
- A-5029/S-3522 (Sumter, Reynolds-Jackson, Johnson/Rice, T. Kean)** – Requires New Jersey Office on Minority and Multicultural Health to study racial disparities on sexual and reproductive health of African-American women

**A-5031/S-3455 (Speight, McKnight, Timberlake/Ruiz)** – Requires hospital emergency departments to ask person of childbearing age about recent pregnancy history

**A-5314/S-3692 (Zwicker, Milam, Mazzeo/Cryan, Ruiz)** – Requires DHS to study social isolation occurring in certain population groups

**A-5344/S-3833 (Mukherji, Vainieri Huttel, Milam/Gopal, Corrado)** – Establishes uniform standard for acceptable proof of veteran status for veteran's ID cards and various State and local programs

**A-5388/S-3895 (Speight, Pintor Marin, Greenwald/Greenstein, Ruiz)** – Requires specialized in-service training regarding crime victims for police departments in certain high-crime areas

**A-5389/S-3896 (Speight, Pintor Marin, Greenwald/Greenstein, Ruiz)** – Requires training or experience in crime victims' rights for certain members of Victims of Crime Compensation Review Board

**A-5432/S-3796 (Milam, Land/Andrzejczak)** – Requires DEP Commissioner to establish individual transferable quota system for menhaden purse seine fishery

**A-5445/S-3909 (Swain, Tully, Spearman/T. Kean, Corrado)** – Requires AG to establish program to detect fentanyl in State's illegal drug supply and make information related to presence of fentanyl available in database accessible by law enforcement

**A-5511/S-1852 (Spearman, Jones, Reynolds-Jackson/Turner, Cruz-Perez)** – Revises certain penalties for illegal operation of snowmobile, all-terrain vehicle, or dirt bike

**A-5580/S-3842 (Johnson, Moriarty, Greenwald/Weinberg, Sarlo)** – Extends availability period for tax credits for certain expenses incurred for production of certain film and digital media content, raises annual cap related to film production, and provides for annual administration of film tax credits

**A-5583/S-3919 (Pinkin, Lopez, Mukherji/Smith, Bateman)** – Prohibits sale, lease, rent, or installation of certain equipment or products containing hydrofluorocarbons or other greenhouse gases

**A-5630/S-3981 (Pintor Marin, Munoz, Reynolds-Jackson/Weinberg, Corrado)** – Requires Civil Service Commission to establish and maintain hotline for State employees to submit reports of workplace discrimination and harassment

#### [Copy of Statement](#)

**A-5667/S-3933 (Mukherji, Vainieri Huttel, Armato, DeCroce, Karabinchak/Singer, Scutari)** – "Charlie's Law"; requires pharmacy practice sites and hospice programs to furnish patients with information and means to safely dispose of unused prescription drugs and medications

**A-5801/S-4064 (Coughlin, Houghtaling, Verrelli/Singleton, Sweeney)** – Concerns responsibility of contractors for wage claims against subcontractors

**A-5817/S-4263 (Mazzeo, Armato/Cunningham, Sweeney, C.A. Brown)** – Allows certain persons to qualify for casino key employee license and casino employee registration

**A-5916/S-4255 (Chiaravalloti, McKnight, Karabinchak/Cunningham, Weinberg)** – Authorizes DOH to notify elected officials of financial distress of certain hospitals

**A-5918/SCS for S-3741 and 4253 (Chiaravalloti, McKnight/Weinberg, Cunningham, Vitale)** – Expands hospital reporting requirements

**A-5970/S-4201 (Lopez, Speight, Chaparro/Codey)** – Amends list of environmental infrastructure projects approved for long-term funding for FY2020 to include new projects, remove certain projects, and modify estimated loan amounts for certain projects

**A-5971/S-4202 (Mukherji, Pintor Marin, Spearman/Bateman, Corrado)** – Authorizes NJ Infrastructure Bank to expend additional sums to make loans for environmental infrastructure projects for FY2020

**A-5972/S-4203 (Pinkin, Benson, Zwicker/Greenstein, Singleton)** – Makes changes to New Jersey Infrastructure Bank's enabling act

**A-5977/S-4282 (Greenwald, Downey, Vainieri Huttie/Vitale, Singleton)** – Provides for establishment of Regional Health Hub Program as replacement to Accountable Care Organization Demonstration Project, and designates existing accountable care organizations and look-alike organizations as Regional Health Hubs

**A-6119/S-4336 (Egan, Houghtaling/Madden)** – Revises "The Public Works Contractor Registration Act" and amends definition of registered apprenticeship program

**AJR-35/SJR-159 (McKnight, Chaparro, Chiaravalloti, DeCroce/Cunningham, Greenstein)** – Designates third full week in March as "Domestic Violence Services Awareness Week" to bring awareness of services available to domestic violence victims

**AJR-103/SJR-70 (Rooney, DePhillips, Murphy/Corrado)** – Permanently designates January as "NUT Carcinoma Awareness Month" in New Jersey

**AJR-118/SJR-157 (McKnight, Timberlake, McKeon/Pou, Madden)** – Designates April of each year as "Financial Literacy Month" in New Jersey

**AJR-180/SJR-112 (DeAngelo, McKnight, Murphy/Singleton, Corrado)** – Designates February in each year as "Career and Technical Education Month" in New Jersey

**Governor Murphy declined to sign the following bills, meaning they expire without becoming law:**

**S-691/A-657 (Ruiz, Pou/Jasey, Caputo, Pintor Marin, Sumter, Wimberly)** – Requires that if a school district satisfies 80% or more of the required NJ Quality Single Accountability Continuum standards in an area of district effectiveness under State intervention, the State must return that area to local control

**S-1083/A-544 (Cruz-Perez, Gopal/Mazzeo, Houghtaling, Holley, Dancer)** – Establishes loan program and provides corporation business tax and gross income tax credits for establishment of new vineyards and wineries

**S-2421/A-1030 (Smith, Bateman/Johnson, Kennedy, Benson, DeAngelo)** – Concerns installation of electric vehicle charging stations in common interest communities

**S-2425/A-3851 (Singleton, Andrzejczak/Conaway)** – Revises law relating to common interest communities

**S-2429/A-4028 (Scutari, Pou/Bramnick, Downey)** – Requires automobile insurers to disclose policy limits upon request by an attorney under certain circumstances

**S-2835/A-3926 (Singleton, Ruiz/Conaway, Lampitt, Murphy)** – Requires public schools to administer written screenings for depression for students in certain grades

**S-2897/A-1433 (Madden, Singer/Benson, Wimberly, Carter)** – Requires DCA to establish procedures for inspection and abatement of mold hazards in residential buildings and school facilities, and certification programs for mold inspectors and mold hazard abatement workers

**S-2957/A-4712 (Stack/Mukherji, Chaparro)** – Establishes five-year moratorium on conversions of certain residential rental premises in qualified counties

**S-2958/A-4535 (Sarlo, Oroho/Zwicker, DePhillips, DeCroce)** – Establishes the "Energy Infrastructure Public-Private Partnership Act"

**S-3062/A-2049 (Ruiz, Greenstein/Howarth, Benson, Murphy)** – Provides corporation business tax and gross income tax credits for businesses that employ apprentices in DOL registered apprenticeships

**S-3063/A-4655 (Ruiz/Armato, Vainieri Huttie, DeAngelo)** – Provides tuition fee waiver apprenticeship courses

**S-3137/A-1308 (Sweeney, Oroho, Singleton/Greenwald, Milam, Land)** – The "Electronic Construction Procurement Act"

**S-3252/A-4713 (Greenstein, Stack/DeAngelo, Quijano)** – "New Townhouse Fire Safety Act"; requires automatic fire sprinkler systems in new townhomes

**S-3263/A-4837 (T. Kean, Diegnan/Vainieri Huttie, Chiaravalloti, McKnight)** – Revises and updates membership and purpose of Advisory Council on the Deaf and Hard of Hearing in DHS

**S-3270/A-5095 (Pou/McKeon, Freiman, DeCroce)** – Establishes certain requirements for stop loss insurance offered to small employers

**S-3393/ACS for A-5384 and 5157 (Sarlo, Addiego/Mazzeo, Murphy, Houghtaling, Calabrese, Armato, Dancer)** – Allows certain preserved farms to hold 14 special occasion events per year; imposes further event restrictions on residentially-exposed preserved farms

**S-3770/A-6118 (Sarlo, Oroho, Sweeney/Greenwald, Jones)** – Establishes "New Jersey Economic and Fiscal Policy Review Commission" to provide ongoing review of State and local tax structure, economic conditions, and related fiscal issues

**S-3888/A-5585 (Ruiz/Dancer, Pintor Marin)** – Extends document submission deadlines under Economic Redevelopment and Growth Grant program and Urban Transit Hub Tax Credit program

**S-4035/A-5702 (Pou, Singleton/Wimberly, Reynolds-Jackson, Sumter)** – Makes Fiscal Year 2020 supplemental appropriation of \$1,700,000 for Thomas Edison State University

**S-4281/A-6094 (Smith, Diegnan/Danielsen, Pinkin)** – Requires State to sell and convey to Educational Services Commission of New Jersey certain land and improvements known as Piscataway Regional Day School

**S-4331/A-4727 (Diegnan, Madden/Karabinchak, Holley, Jones)** – Requires person taking written examination for permit to watch video of rights and responsibilities of driver stopped by law enforcement; requires testing on rights and responsibilities of driver stopped by law enforcement

**A-491/S-4340 (Jimenez/Sacco, Stack)** – Enhances PFRS accidental death pension for surviving spouse by providing for minimum of \$50,000 annually

**A-1044/S-1441 (Houghtaling, Downey, DiMaio, Space/Doherty, Madden)** – Requires Director of Division of Taxation to examine feasibility of centralized property tax information system to verify property taxes paid by homestead property tax reimbursement claimants

**A-1045/S-2856 (Houghtaling, Downey, Dancer/Gopal, Oroho)** – Clarifies sales tax collection responsibilities of horse-boarding businesses in New Jersey

**A-1526/S-1048 (Zwicker, Johnson/Vitale)** – Concerns payment of independent contractors

**A-2731/S-3407 (Taliaferro, Space/Sweeney, Oroho)** – Removes statutory limitation on number of permits that may be issued by Division of Fish and Wildlife for the taking of beaver

**A-4382/S-2815 (Pinkin, Lopez, Kennedy/Beach, Smith)** – Requires paint producers to implement or participate in paint stewardship program

**A-4463/S-3927 (Freiman, Egan, Karabinchak/Oroho, Andrzejczak)** – Establishes "Electronic Permit Processing Review System"

**A-4788/S-3880 (Karabinchak, Freiman, Calabrese/Diegnan)** – Establishes expedited construction inspection program

**A-5072/S-3496 (Karabinchak, Johnson, Mukherji/Greenstein, Cryan)** – "Defense Against Porch Pirates Act"; creates new category of theft, with penalties including mandatory restitution and community service, for taking package delivered to residence by cargo carrier

**A-5446/S-3907 (Land, Reynolds-Jackson, Verrelli/T. Kean, Lagana)** – Requires reporting of opioid deaths

**A-5629/S-3980 (Pintor Marin, Munoz/Weinberg, Corrado)** – Clarifies provisions concerning disclosure of existence and content of discrimination or harassment complaints; requires certain disclosures to person against whom complaint is made

[Copy of Statement](#)

**ACS for A-5922 and 5923/SCS for S-4223 and 4224 (Conaway, Vainieri Huttle, Lopez, Pinkin/Vitale, Sweeney)** – Revises requirements for sale of tobacco and vapor products; increases penalties for prohibited sales; increases fees for cigarette and vapor business licensure

[Copy of Statement](#)