30:4D-7h

LEGISLATIVE HISTORY CHECKLIST

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LAWS OF: 2003 **CHAPTER:** 223

NJSA: 30:4D-7h (Pediatric rehabilitation hospital - Medicaid reimbursement)

BILL NO: A2553 (Substituted for S2225)

SPONSOR(S): Greenwald and Conaway

DATE INTRODUCED: June 24, 2002

COMMITTEE: ASSEMBLY: Health and Human Services; Appropriations

SENATE: Budget

AMENDED DURING PASSAGE: Yes

DATE OF PASSAGE: ASSEMBLY: May 22, 2003

SENATE: December 11, 2003

DATE OF APPROVAL: January 9, 2004

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL (2nd reprint enacted)

(Amendments during passage denoted by superscript numbers)

A2553

SPONSOR'S STATEMENT: (Begins on page 2 of original bill) Yes

COMMITTEE STATEMENT: ASSEMBLY: Yes <u>12-16-2002 (Health)</u>

3-10-2003 (Approp.)

SENATE: Yes

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL ESTIMATE: No

S2225

SPONSOR'S STATEMENT: (Begins on page 2 of original bill)

Yes

COMMITTEE STATEMENT: ASSEMBLY: No

SENATE: Yes <u>5-08-2003 (Health)</u>

6-17-2003 (Budget)

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL ESTIMATE: No

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: No

FOLLOWING WERE PRINTED:

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

REPORTS: No No Newspaper articles: No

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P.L. 2003, CHAPTER 223, approved January 9, 2004 Assembly, No. 2553 (Second Reprint)

1 **AN ACT** concerning pediatric rehabilitation hospitals and amending P.L.2001, c.393.

3

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

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- 7 1. Section 2 of P.L.2001, c.393 (C.30:4D-7h) is amended to read 8 as follows:
- 2. ²a.² A pediatric rehabilitation hospital licensed pursuant to P.L.1971, c.136 (C.26:2H-1 et seq.) ¹with 30 or fewer beds ¹ shall be reimbursed [a prospective per diem rate by the State Medicaid program for Medicaid fee-for-service recipients.

13 The initial prospective per diem rate shall be based on the total 14 allowable cost for Medicaid patients divided by the total Medicaid days from the calendar year 1999 Medicare/Medicaid cost report, and 15 shall be considered the base year rate. If the hospital has been in 16 operation less than two full years prior to fiscal year 1999, the 17 prospective per diem rate will be set using its first finalized audited 18 fiscal year 2000 Medicaid/Medicare cost report. The base year rate 19 20 shall be updated each year by the economic factor specified in 21 N.J.A.C.10:52-5.13.

The Commissioner of Human Services shall adopt regulations to permit a pediatric rehabilitation hospital to seek rate relief or to seek a new base year rate in the event the hospital can demonstrate that it is entitled to rate relief or a new base year pursuant to applicable Medicare Principles of Reimbursement] 100% of its Medicaid allowable reimbursable costs as defined by Medicare Principles of Reimbursement effective for cost report periods beginning January 1, 2001.

30 ²b. A pediatric rehabilitation hospital licensed pursuant to 31 P.L.1971, c.136 (C.26:2H-1 et seq.) with more than 30 beds shall be 32 reimbursed a prospective per diem rate by the State Medicaid program 33 for Medicaid fee-for-service recipients.

The initial prospective per diem rate shall be based on the total allowable cost for Medicaid patients divided by the total Medicaid days from the calendar year 1999 Medicare/Medicaid cost report, and shall be considered the base year rate. If the hospital has been in operation less than two full years prior to fiscal year 1999, the prospective per diem rate will be set using its first finalized audited

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 \underline{thus} is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Assembly AHH committee amendments adopted December 16, 2002.

 $^{^{\}rm 2}$ Assembly AAP committee amendments adopted March 10, 2003.

A2553 [2R] 2

1	riscar year 2000 Medicard/Medicare cost report. The base year rate
2	shall be updated each year by the economic factor specified in
3	N.J.A.C.10:52-5.13.
4	The Commissioner of Human Services shall adopt regulations to
5	permit a pediatric rehabilitation hospital to seek rate relief or to seek
6	a new base year rate in the event the hospital can demonstrate that it
7	is entitled to rate relief or a new base year pursuant to applicable
8	Medicare Principles of Reimbursement. ²
9	(cf: P.L.2001, c.393, s.2)
10	
11	2. This act shall take effect immediately. reimbursed a prospective
12	per diem rate by the State Medicaid program for Medicaid fee-for-
13	service recipients.
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18	Requires pediatric rehabilitation hospital with 30 or fewer beds be
10	reimbursed 100% of Medicaid allowable reimbursable costs

ASSEMBLY, No. 2553

STATE OF NEW JERSEY 210th LEGISLATURE

INTRODUCED JUNE 24, 2002

Sponsored by:

Assemblyman LOUIS D. GREENWALD
District 6 (Camden)
Assemblyman HERBERT CONAWAY, JR.
District 7 (Burlington and Camden)

Co-Sponsored by:

Assemblymen Conners, Cryan, Assemblywoman Previte, Assemblyman Burzichelli and Assemblywoman Cruz-Perez

SYNOPSIS

Requires pediatric rehabilitation hospital be reimbursed 100% of Medicaid allowable reimbursable costs.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 12/10/2002)

1	AN ACT concerning pediatric rehabilitation hospitals and amending
2	P.L.2001, c.393.
3	
4	BE IT ENACTED by the Senate and General Assembly of the State
5	of New Jersey:
6	
7	1. Section 2 of P.L.2001, c.393 (C.30:4D-7h) is amended to read
8	as follows:
9	2. A pediatric rehabilitation hospital licensed pursuant to
10	P.L.1971, c.136 (C.26:2H-1 et seq.) shall be reimbursed [a
11	prospective per diem rate by the State Medicaid program for Medicaid
12	fee-for-service recipients.
13	The initial prospective per diem rate shall be based on the total
14	allowable cost for Medicaid patients divided by the total Medicaid
15	days from the calendar year 1999 Medicare/Medicaid cost report, and
16	shall be considered the base year rate. If the hospital has been in
17	operation less than two full years prior to fiscal year 1999, the
18	prospective per diem rate will be set using its first finalized audited
19	fiscal year 2000 Medicaid/Medicare cost report. The base year rate
20	shall be updated each year by the economic factor specified in
21	N.J.A.C.10:52-5.13.
22	The Commissioner of Human Services shall adopt regulations to
23	permit a pediatric rehabilitation hospital to seek rate relief or to seek
24	a new base year rate in the event the hospital can demonstrate that it
25	is entitled to rate relief or a new base year pursuant to applicable
26	Medicare Principles of Reimbursement] 100% of its Medicaid
27	allowable reimbursable costs as defined by Medicare Principles of
28	Reimbursement effective for cost report periods beginning January 1,
29	<u>2001</u> .
30	(cf: P.L.2001, c.393, s.2)
31	
32	2. This act shall take effect immediately.
33	
34	
35	STATEMENT
36	
37	This bill amends N.J.S.A.30:4D-7h to require that a pediatric
38	rehabilitation hospital be reimbursed 100% of its Medicaid allowable
39	reimbursable costs as defined by Medicare Principles of
40	Reimbursement effective for cost report periods beginning January 1,
41	2001. Under current law, a pediatric rehabilitation hospital is
42	reimbursed a prospective per diem rate by the State Medicaid program
43	for Medicaid fee-for-service recipients.

 $\label{lem:explanation} \textbf{EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.}$

ASSEMBLY HEALTH AND HUMAN SERVICES COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2553

with committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 16, 2002

The Assembly Health and Human Services Committee reports favorably and with committee amendments Assembly Bill No. 2553.

As amended by the committee, this bill amends section 2 of P.L.2001, c.393 (N.J.S.A.30:4D-7h) to require that a pediatric rehabilitation hospital with 30 or fewer beds be reimbursed 100% of its Medicaid allowable reimbursable costs as defined by Medicare Principles of Reimbursement effective for cost report periods beginning January 1, 2001. Currently, the above statute provides that a pediatric rehabilitation hospital is to reimbursed a prospective per diem rate by the State Medicaid program for Medicaid fee-for-service recipients.

COMMITTEE AMENDMENTS:

The committee amendments to the bill specify that the provisions of the bill would only apply to pediatric rehabilitation hospitals with 30 or fewer beds.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint] ASSEMBLY, No. 2553

with Assembly committee amendments

STATE OF NEW JERSEY

DATED: MARCH 10, 2003

The Assembly Appropriations Committee reports favorably Assembly Bill No. 2553 (1R), with committee amendments.

Assembly Bill No. 2553 (1R), as amended, modifies section 2 of P.L.2001, c.393 (N.J.S.A.30:4D-7h) to require that a pediatric rehabilitation hospital with 30 or fewer beds be reimbursed 100% of its Medicaid allowable reimbursable costs as defined by Medicare Principles of Reimbursement effective for cost report periods beginning January 1, 2001.

Currently, that statute provides that a pediatric rehabilitation hospital is to reimbursed a prospective per diem rate by the State Medicaid program for Medicaid fee-for-service recipients.

FISCAL IMPACT:

The Office of Legislative Services (OLS) is unable to estimate the fiscal impact of this legislation. No information has been made available to the OLS as to what the Medicaid reimbursement would be at 100%.

COMMITTEE AMENDMENTS:

The amendments clarify that the current law providing that a pediatric rehabilitation hospital is to reimbursed a prospective per diem rate will continue to apply to a pediatric rehabilitation hospital with more than 30 beds.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

[Second Reprint] ASSEMBLY, No. 2553

STATE OF NEW JERSEY

DATED: JUNE 17, 2003

The Senate Budget and Appropriations Committee reports favorably Assembly Bill No. 2553 (2R).

This bill provides for increased Medicaid reimbursement to pediatric rehabilitation hospitals with 30 or fewer beds.

Under current law, a pediatric rehabilitation hospital, regardless of the number of beds, is reimbursed a prospective per diem rate by the State Medicaid program for Medicaid fee-for-service recipients.

Under the bill, a pediatric rehabilitation hospital with 30 or fewer beds is to be reimbursed 100% of its Medicaid allowable reimbursable costs as defined by Medicare Principles of Reimbursement effective for cost report periods beginning January 1, 2001.

The provisions of this bill are identical to those of Senate Bill No. 2225 (1R), which the committee also reports this day.

FISCAL IMPACT

The Office of Legislative Services (OLS) is unable to estimate the fiscal impact of this legislation. No information has been made available to the OLS as to what the Medicaid reimbursement would be at 100%.

SENATE, No. 2225

STATE OF NEW JERSEY

210th LEGISLATURE

INTRODUCED JANUARY 14, 2003

Sponsored by: Senator JOHN H. ADLER District 6 (Camden) Senator MARTHA W. BARK District 8 (Burlington)

SYNOPSIS

Requires pediatric rehabilitation hospital with 30 or fewer beds be reimbursed 100% of Medicaid allowable reimbursable costs.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 3/21/2003)

1	AN ACT concerning pediatric rehabilitation hospitals and amending
2	P.L.2001, c.393.
3	
4	BE IT ENACTED by the Senate and General Assembly of the State
5	of New Jersey:
6	
7	1. Section 2 of P.L.2001, c.393 (C.30:4D-7h) is amended to read
8	as follows:
9	2. A pediatric rehabilitation hospital licensed pursuant to P.L.1971,
10	c.136 (C.26:2H-1 et seq.) with 30 or fewer beds shall be reimbursed
11	[a prospective per diem rate by the State Medicaid program for
12	Medicaid fee-for-service recipients.
13	The initial prospective per diem rate shall be based on the total
14	allowable cost for Medicaid patients divided by the total Medicaid
15	days from the calendar year 1999 Medicare/Medicaid cost report, and
16	shall be considered the base year rate. If the hospital has been in
17	operation less than two full years prior to fiscal year 1999, the
18	prospective per diem rate will be set using its first finalized audited
19	fiscal year 2000 Medicaid/Medicare cost report. The base year rate
20	shall be updated each year by the economic factor specified in
21	N.J.A.C.10:52-5.13.
22	The Commissioner of Human Services shall adopt regulations to
23	permit a pediatric rehabilitation hospital to seek rate relief or to seek
24	a new base year rate in the event the hospital can demonstrate that it
25	is entitled to rate relief or a new base year pursuant to applicable
26	Medicare Principles of Reimbursement] 100% of its Medicaid
27	allowable reimbursable costs as defined by Medicare Principles of
28	Reimbursement effective for cost report periods beginning January 1,
29	<u>2001</u> .
30	(cf: P.L.2001, c.393, s.2)
31	
32	2. This act shall take effect immediately.
33	
34	
35	STATEMENT
36	
37	This bill amends section 2 of P.L.2001, c.393 (N.J.S.A.30:4D-7h)
38	to require that a pediatric rehabilitation hospital with 30 or fewer beds
39	be reimbursed 100% of its Medicaid allowable reimbursable costs as
40	defined by Medicare Principles of Reimbursement effective for cost
41	report periods beginning January 1, 2001. Currently, the above statute
42	provides that a pediatric rehabilitation hospital is to reimbursed a
43	prospective per diem rate by the State Medicaid program for Medicaid
44	fee-for-service recipients.
	EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not

enacted and intended to be omitted in the law. $Matter \ underlined \ \underline{thus} \ is \ new \ matter.$

SENATE HEALTH, HUMAN SERVICES AND SENIOR CITIZENS COMMITTEE

STATEMENT TO

SENATE, No. 2225

with committee amendments

STATE OF NEW JERSEY

DATED: MAY 8, 2003

The Senate Health, Human Services and Senior Citizens Committee reports favorably and with committee amendments Senate Bill No. 2225.

As amended by committee, this bill amends N.J.S.A.30:4D-7h to provide that a pediatric rehabilitation hospital with 30 or fewer beds shall be reimbursed 100% of its Medicaid allowable reimbursable costs as defined by Medicare Principles of Reimbursement effective for cost report periods beginning January 1, 2001.

Currently, that statute provides that a pediatric rehabilitation hospital, regardless of the number of beds, is to be reimbursed a prospective per diem rate by the State Medicaid program for Medicaid fee-for-service recipients.

The committee amended the bill to restore the language of the statute, which was inadvertently deleted in the bill. As amended, therefore, the bill provides that a pediatric rehabilitation hospital with more than 30 beds shall be reimbursed a prospective per diem rate.

As amended, this bill is identical to Assembly Bill No.2553 (2R) (Greenwald/Conaway), which is pending before the General Assembly.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint] SENATE, No. 2225

STATE OF NEW JERSEY

DATED: JUNE 17, 2003

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 2225 (1R).

This bill provides for increased Medicaid reimbursement to pediatric rehabilitation hospitals with 30 or fewer beds.

Under current law, a pediatric rehabilitation hospital, regardless of the number of beds, is reimbursed a prospective per diem rate by the State Medicaid program for Medicaid fee-for-service recipients.

Under the bill, a pediatric rehabilitation hospital with 30 or fewer beds is to be reimbursed 100% of its Medicaid allowable reimbursable costs as defined by Medicare Principles of Reimbursement effective for cost report periods beginning January 1, 2001.

The provisions of this bill are identical to those of Assembly Bill No. 2553 (2R), which the committee also reports this day.

FISCAL IMPACT

The Office of Legislative Services (OLS) is unable to estimate the fiscal impact of this legislation. No information has been made available to the OLS as to what the Medicaid reimbursement would be at 100%.