

26:2H-7

LEGISLATIVE HISTORY CHECKLIST
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(Nursing homes--regionally affiliated--
certain--exempt from certificate of need)

NJSA: 26:2H-7

LAWS OF: 1993 CHAPTER: 140

BILL NO: S205

SPONSOR(S) Connors

DATE INTRODUCED: Pre-filed

COMMITTEE: ASSEMBLY: Health and Human Services

SENATE: Health and Human Services

AMENDED DURING PASSAGE: Yes Amendments during passage
First reprint enacted denoted by superscript numbers

DATE OF PASSAGE: ASSEMBLY: Feb. 8, 1993 (re-enacted 6-17-93)

SENATE: ~~May 14, 1993~~ Feb. 18, 1993 (re-enacted 6-17-93)

DATE OF APPROVAL: June 18, 1993 (enacted w/o governor's approval)

FOLLOWING STATEMENTS ARE ATTACHED IF AVAILABLE:

SPONSOR STATEMENT: Yes

COMMITTEE STATEMENT: ASSEMBLY: Yes

SENATE: Yes

FISCAL NOTE: No

VETO MESSAGE: ~~No~~ Yes

MESSAGE ON SIGNING: ~~Yes~~ No

FOLLOWING WERE PRINTED:

REPORTS: No

HEARINGS: No

KBG:pp

[FIRST REPRINT]

SENATE, No. 205

STATE OF NEW JERSEY

PRE-FILED FOR INTRODUCTION IN THE 1992 SESSION

By Senator CONNORS

1 AN ACT exempting certain religiously affiliated nursing homes
2 from the certificate of need requirement and supplementing
3 P.L.1971, c.136 (C.26:2H-1 et seq.).
4

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

7 1. ^{1a} Notwithstanding the provisions of section 7 of
8 P.L.1971, c.136 (C.26:2H-7) to the contrary, a nursing home
9 which is affiliated with a well established religious body or
10 denomination and reserves at least 65% of its licensed bed
11 capacity for patients who are members of that religious body or
12 denomination is exempt from the requirement of obtaining a
13 certificate of need if the nursing home is in compliance with all
14 State regulations governing its licensure.

15 ^{1b} A nursing home which is exempt from the certificate of
16 need requirement pursuant to subsection a. of this section shall
17 be required to meet the Statewide average for the percentage of
18 beds that are to be reserved for patients who are eligible for
19 medical assistance pursuant to P.L.1968, c.413 (C.30:4D-1 et
20 seq.).¹

21 2. This act shall take effect immediately.
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26 Exempts certain religiously affiliated nursing homes from the
27 certificate of need requirement.

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:
Assembly AHM committee amendments adopted June 8, 1992.

SENATE, No. 205
STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel
PRE-FILED FOR INTRODUCTION IN THE 1992 SESSION

By Senator CONNORS

1 **AN ACT** exempting certain religiously affiliated nursing homes
2 from the certificate of need requirement and supplementing
3 P.L.1971, c.136 (C.26:2H-1 et seq.).
4

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

7 1. Notwithstanding the provisions of section 7 of P.L.1971,
8 c.136 (C.26:2H-7) to the contrary, a nursing home which is
9 affiliated with a well established religious body or denomination
10 and reserves at least 65% of its licensed bed capacity for patients
11 who are members of that religious body or denomination is
12 exempt from the requirement of obtaining a certificate of need if
13 the nursing home is in compliance with all State regulations
14 governing its licensure.

15 2. This act shall take effect immediately.
16
17

18 **STATEMENT**
19

20 This bill exempts from the certificate of need requirement for
21 health care facilities established pursuant to section 7 of
22 P.L.1971, c.136 (C.26:2H-7), a nursing home which is affiliated
23 with a well established religious body or denomination and
24 reserves at least 65% of its licensed bed capacity for patients
25 who are members of that religious body or denomination if the
26 nursing home is in compliance with all State regulations
27 governing its licensure.
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33 Exempts certain religiously affiliated nursing homes from the
34 certificate of need requirement.

ASSEMBLY HEALTH AND HUMAN SERVICES COMMITTEE

STATEMENT TO

SENATE, No. 205

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 8, 1992

The Assembly Health and Human Services Committee reports without commendation Senate Bill No. 205 with committee amendments.

As amended by the committee, this bill exempts from the certificate of need (CN) requirement for health care facilities established pursuant to section 7 of P.L.1971, c.136 (C.26:2H-7), a nursing home which is affiliated with a well established religious body or denomination and reserves at least 65% of its licensed bed capacity for patients who are members of that religious body or denomination if the nursing home is in compliance with all State regulations governing its licensure.

The committee amended the bill to provide that a nursing home which is exempted from the CN requirement by this bill shall be required to meet the Statewide average for the percentage of beds that are to be reserved for Medicaid-eligible patients.

As reported by the committee, this bill is identical to Assembly Bill No. 625 ACA (Moran/Connors), which the committee also reported on this date.

SENATE HEALTH AND HUMAN SERVICES COMMITTEE

STATEMENT TO

SENATE, No. 205

STATE OF NEW JERSEY

DATED: MARCH 23, 1992

The Senate Health and Human Services Committee favorably reports Senate Bill No. 205.

This bill exempts from the certificate of need requirement for health care facilities established pursuant to section 7 of P.L.1971, c.136 (C.26:2H-7), a nursing home which is affiliated with a well established religious body or denomination and reserves at least 85% of its licensed bed capacity for patients who are members of that religious body or denomination if the nursing home is in compliance with all State regulations governing its licensure.

Currently, the Department of Health's regulations (NJAC 8:33H-3.3) exempt a new or expanding long-term care facility from the certificate of need requirement as a "restricted admission facility" if the facility clearly states in its bylaws that only members of the specified religious or fraternal organization and their immediate family members will be admitted to 100% of the facility's long-term care and residential health care beds, and that more than 50% of the patients will be admitted from outside the health planning area in which the facility is or will be located.

This bill was prefiled for introduction in the 1992 session pending technical review. As reported, the bill includes the changes required by technical review which has been performed.



OFFICE OF THE GOVERNOR NEWS RELEASE

CN-001
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Release: THURSDAY
APRIL 15, 1993

Governor Jim Florio conditionally vetoed S-205/A-1718, which exempts certain religiously affiliated nursing homes from the certificate of need requirement.

A copy of the veto message is attached.

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STATE OF NEW JERSEY
EXECUTIVE DEPARTMENT

April 15, 1993

SENATE BILL NO. 205

(First Reprint)

To the Senate:

Pursuant to Article V, Section I, Paragraph 14 of the New Jersey Constitution, I herewith return Senate Bill No. 205 with my recommendations for reconsideration.

This bill would exempt a nursing home "affiliated with a well established religious body or denomination" from the Certificate of Need (CN) process, so long as the facility reserves at least 65 percent of its beds for patients who are members of that religious body or denomination. The bill requires that all nursing homes constructed under this bill reserve, for Medicaid recipients, at least the Statewide Medicaid average of beds. The nursing home would also have to be in compliance with all State licensure regulations.

I recognize the importance of accommodating those seniors who require nursing home care and who want the special atmosphere of a religious home. However, I believe that this bill unduly weakens present Department of Health regulations. For this reason I must take exception with this legislation.

Current Department of Health regulations exempt "Statewide restricted admission facilities" from compliance with the need methodology established for determining when applications may be approved and from county-based health care facility planning requirements. Statewide restricted admissions facilities include non-profit nursing homes which are owned and operated by a religious organization and which serve only members of that religious organization and their immediate families. Applications for certificates of need for new or expanded Statewide restricted admission facilities are reviewed through an expedited process.

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STATE OF NEW JERSEY
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Under the Department's regulations, a Statewide restricted admission facility can expand as desired to accommodate the demand of members of their religious organization provided: (1) it explicitly states in its bylaws that only members of the specified religious organization and their immediate family members will be admitted to 100 percent of the long-term care beds; and (2) the facility admits at least 50 percent of its patients from outside the health planning area in which the facility is located. This bill would relax the 100 percent membership requirement to 65 percent and would eliminate the requirement that these facilities reserve 50 percent of their patients from outside the health planning area in which the facility is located.

The fundamental reason for exempting these facilities from the CN review process altogether is because these facilities serve a specific religious membership. I understand that in the spirit of benevolence some religious organizations wish to build nursing homes which will provide spiritually-comfortable settings for the senior members of their congregations and other senior members of that particular religious organization. However, I cannot accept the proposed relaxation of the 100 percent membership requirement, which these Statewide restricted admission facilities have met in the past, and still maintain that these religious facilities should be exempted from the CN process altogether. This bill would benefit if it were amended to codify existing Department of Health regulations regarding the 100 percent membership requirement to ensure that the special needs and desires of those seniors who seek care in these types of facilities is ensured.

I believe this proposed amendment serves the best interests of our State's seniors because it will exempt nursing homes operated by religious organizations solely for the benefit of members of such organizations from the CN application process, thus removing any perceived barrier to constructing religious nursing homes and entitling our State's seniors to the opportunity to reside in nursing home settings that provide environments consistent with their particular spiritual values and beliefs.

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EXECUTIVE DEPARTMENT

Accordingly, for the reasons stated above, I herewith return
Senate Bill No. 205 and recommend that it be amended as follows:

Section 1. Lines 8-14:

After "contrary," delete in
entirety and insert "a
religious organization which
reserves 100% of its licensed
bed capacity for use by
patients who are members of
that specific religious
organization and their
immediate family members and
is wholly owned (including
real property), operated and
managed by the religious
organization is exempt from
the requirement of obtaining
a certificate of need,
provided the nursing home
maintains adequate records
evidencing each patient's
religious affiliation and
provided the nursing home is
in compliance with all State
regulations governing its
licensure."

Respectfully

/s/ Jim Florio

GOVERNOR

[seal]

Attest:

/s/ M. Robert DeCotiis

Chief Counsel to the Governor