

LEGISLATIVE HISTORY CHECKLIST
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(Senior health insurance
counseling program)

NJSA: 52:27D-29.32

LAWS OF: 1993 CHAPTER: 4

BILL NO: S175

SPONSOR(S) Codey

DATE INTRODUCED: Pre-filed

COMMITTEE: ASSEMBLY: Appropriations
SENATE: Health & Human Services

AMENDED DURING PASSAGE: Yes Amendments during passage
denoted by asterisks

DATE OF PASSAGE: ASSEMBLY: October 15, 1992
SENATE: August 3, 1992

DATE OF APPROVAL: January 14, 1993

FOLLOWING STATEMENTS ARE ATTACHED IF AVAILABLE:

SPONSOR STATEMENT: Yes

COMMITTEE STATEMENT: ASSEMBLY: Yes
SENATE: Yes

FISCAL NOTE: No

VETO MESSAGE: No

MESSAGE ON SIGNING: No

FOLLOWING WERE PRINTED:

REPORTS: No

HEARINGS: No

974.90 New Jersey. Legislature. Senate. Committee on Aging.
044 Public hearing on issues and concerns of senior citizens.
1999d held 3-9-89, 3-23-89, 3-30-89 & 3-16-89. New Jersey, 1989.
(see Vol. I--pp. 13-15)
(see Vol. II--pp. 6-7)

KBG:pp

STATE OF NEW JERSEY

PRE-FILED FOR INTRODUCTION IN THE 1992 SESSION

By Senators CODEY, Rice and Girgenti

1 AN ACT concerning programs for senior citizens, supplementing
2 Titles 17 and 52 of the Revised Statutes¹, and¹ repealing
3 P.L.1987, c.59¹, and making an appropriation¹.

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

7 1. The Legislature finds and declares that: the availability,
8 coverage and purchase of health insurance is complex and can
9 cause serious problems for senior citizens; there are widespread
10 misperceptions and confusion concerning Medicare and private
11 health insurance coverages and emerging insurance products; the
12 Division on Aging in the Department of Community Affairs has
13 conducted a Senior Health Insurance Program which has
14 successfully assisted senior citizens in understanding their
15 insurance coverage and in making informed decisions concerning
16 health insurance; and there is a continuing Statewide need to
17 address health care insurance problems experienced by senior
18 citizens and to provide education concerning insurance coverage
19 for both acute and long-term health care services.

20 2. As used in this act:

21 "County office on aging" means a county office on aging which
22 is also designated as an area agency on aging for funding under
23 the "Older Americans Act of 1965," Pub.L.89-73 (42 U.S.C.
24 §3001 et seq.).

25 "Director" means the Director of the Division on Aging in the
26 Department of Community Affairs.

27 "Senior citizen" means a person ¹[65] **60**¹ years of age or older.

28 3. a. There is established in the Division on Aging in the
29 Department of Community Affairs a Senior Health Insurance
30 Counseling¹ Program to provide health insurance information
31 and assistance by trained volunteer counselors to senior citizens.

32 b. The Director of the Division on Aging shall establish the
33 program in all counties in the State through the county offices on
34 aging or other appropriate agencies designated by the director.

35 4. The Department of Insurance, in conjunction with the
36 Division on Aging, shall develop a training program for volunteers
37 in the Senior Health Insurance Counseling¹ Program, established
38 pursuant to P.L. , c. (C.) (now pending before the
39 Legislature as this bill), and conduct all training of volunteer
40 counselors with regard to private health insurance coverage for
41 senior citizens.

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:

¹ Senate SHH committee amendments adopted June 8, 1992.

² Assembly AAP committee amendments adopted September 14, 1992.

1 5. The Legislature finds and declares that: New Jersey ¹[home
2 health agencies are reporting increased denials of reimbursement
3 for Medicare home-based skilled nursing care by fiscal
4 intermediaries of the federal Health Care Financing
5 Administration; these home health care cutbacks are particularly
6 serious in the context of national efforts to reduce hospital
7 utilization; patients are leaving the hospital earlier and sicker,
8 and need appropriate follow-up care; and the principal source of
9 post-acute home health care for the elderly and disabled should
10 be the Medicare program.

11 The Legislature further finds and declares that: recent]
12 ²[Medicare beneficiaries continue to experience difficulties in
13 obtaining all of the Medicare payments to which they are
14 entitled; reductions and changes in Medicare coverage and
15 payments are a regular occurrence; when beneficiaries' claims
16 are denied, payments to New Jersey providers may also be lost;
17 and in some cases benefits are denied arbitrarily and in violation
18 of federal law and regulations.

19 The Legislature further finds and declares that:¹] home health
20 agencies are reporting increased denials of reimbursement for
21 Medicare home-based skilled nursing care by fiscal
22 intermediaries of the federal Health Care Financing
23 Administration; these home health care cutbacks are particularly
24 serious in the context of national efforts to reduce hospital
25 utilization; patients are leaving the hospital earlier and sicker,
26 and need appropriate follow-up care; and the principal source of
27 post-acute home health care for the elderly and disabled should
28 be the Medicare program.

29 The Legislature further finds and declares that:² recent
30 reductions in ¹[Medicare home health benefits and other]¹
31 ²Medicare home health benefits and other² Medicare services
32 ¹[may]¹ ²may² have been made through federal directives to
33 fiscal intermediaries without public review and comment; ¹[in
34 some cases benefits are denied in violation of federal law and
35 regulations] ²[these cutbacks are particularly serious in the
36 context of national efforts to reduce hospitalization and to
37 curtail Medicare funding; the Medicare appeals process is very
38 effective in correcting arbitrary and unjust denials; well informed
39 and well represented Medicare beneficiaries can obtain
40 significantly more Medicare benefits than beneficiaries who are
41 unwilling or unable to challenge denials of their claims;¹] in some
42 cases benefits are denied in violation of federal law and
43 regulations² and, therefore, a program of legal assistance to aid
44 New Jersey Medicare beneficiaries in appealing such denials
45 should be established.

46 6. The Director of the Division on Aging in the Department of
47 Community Affairs¹], in consultation with the Public Advocate
48 and the Commissioner of the Department of Human Services,¹
49 shall establish a legal representation program to assist Medicare
50 beneficiaries under Title XVIII of the Social Security Act ¹who
51 are 65 years of age or older, or disabled,¹ in appeals of unfairly
52 denied Medicare coverage. The services provided under this
53 program shall include, but not be limited to, the following:
54 outreach to Medicare beneficiaries, the development and

1 dissemination of educational materials pertaining to the Medicare
2 program and the claims appeal process, the development and
3 dissemination of materials for Medicare beneficiaries to submit
4 their own appeals, and the offer of direct legal representation to
5 appeal unfairly denied coverage under Part A and Part B of the
6 Medicare program. Such legal representation may include, but
7 not be limited to, appeals within the administrative appeals
8 structure and appeals to the United States District Court.

9 7. The director shall establish guidelines for the operation of
10 this program, and ¹[may] ²~~[shall]~~ ¹may² contract with ¹[one or
11 more qualified nonprofit organizations to provide the services
12 described herein] ²~~[a private, nonprofit Statewide organization
13 experienced in providing representation and legal assistance to
14 Medicare beneficiaries who are elderly or disabled]~~ ¹one or more
15 qualified nonprofit organizations to provide the services
16 described herein².

17 8. Pursuant to the "Administrative Procedure Act," P.L.1988,
18 c.410 (C.52:14B-1 et seq.), the director shall adopt rules and
19 regulations necessary to carry out the purposes of this act.

20 ¹[9. There is appropriated \$250,000 from the Casino Revenue
21 Fund to the Division on Aging in the Department of Community
22 Affairs for the legal representation program to assist Medicare
23 beneficiaries.]¹

24 ¹[10.] ¹9.¹ P.L.1987, c.59 (C.30:4H-1 et seq.), is repealed.

25 ¹[11.] ¹10.¹ This act shall take effect immediately.

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29
30 Establishes Senior Health Insurance Counseling Program and legal
31 representation program to assist Medicare beneficiaries, repeals
32 P.L.1987, c.59.

1 utilization; patients are leaving the hospital earlier and sicker,
2 and need appropriate follow-up care; and the principal source of
3 post-acute home health care for the elderly and disabled should
4 be the Medicare program.

5 The Legislature further finds and declares that: recent
6 reductions in Medicare home health benefits and other Medicare
7 services may have been made through federal directives to fiscal
8 intermediaries without public review and comment; in some cases
9 benefits are denied in violation of federal law and regulations;
10 and, therefore, a program of legal assistance to aid New Jersey
11 Medicare beneficiaries in appealing such denials should be
12 established.

13 6. The Director of the Division on Aging in the Department of
14 Community Affairs, in consultation with the Public Advocate and
15 the Commissioner of the Department of Human Services, shall
16 establish a legal representation program to assist Medicare
17 beneficiaries under Title XVIII of the Social Security Act in
18 appeals of unfairly denied Medicare coverage. The services
19 provided under this program shall include, but not be limited to,
20 the following: outreach to Medicare beneficiaries, the
21 development and dissemination of educational materials
22 pertaining to the Medicare program and the claims appeal
23 process, the development and dissemination of materials for
24 Medicare beneficiaries to submit their own appeals, and the offer
25 of direct legal representation to appeal unfairly denied coverage
26 under Part A and Part B of the Medicare program. Such legal
27 representation may include, but not be limited to, appeals within
28 the administrative appeals structure and appeals to the United
29 States District Court.

30 7. The director shall establish guidelines for the operation of
31 this program, and may contract with one or more qualified
32 nonprofit organizations to provide the services described herein.

33 8. Pursuant to the "Administrative Procedure Act," P.L.1968,
34 c.410 (C.52:14B-1 et seq.), the director shall adopt rules and
35 regulations necessary to carry out the purposes of this act.

36 9. There is appropriated \$250,000 from the Casino Revenue
37 Fund to the Division on Aging in the Department of Community
38 Affairs for the legal representation program to assist Medicare
39 beneficiaries.

40 10. P.L.1987, c.59 (C.30:4H-1 et seq.), is repealed.

41 11. This act shall take effect immediately.

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44 STATEMENT

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46 The Senior Health Insurance Program was created by regulation
47 in the Division on Aging in the Department of Community
48 Affairs. The purpose of this bill is to establish this program by
49 statute and continue it in the Division on Aging. The program
50 provides health insurance information and assistance through the
51 county offices on aging to persons age 65 years or older. The
52 Department of Insurance, in conjunction with the Division on
53 Aging, develops the training program and trains the volunteer

1 counselors who provide the health insurance information and
2 assistance with regard to private health insurance coverage for
3 senior citizens.

4 The bill also repeals P.L.1987, c.59 (C.30:4H-1 et seq.), which
5 established the legal representation program to assist Medicare
6 beneficiaries in the Department of Human Services. The bill
7 reestablishes this program in the Division on Aging in the
8 Department of Community Affairs, and appropriates \$250,000 to
9 the Division on Aging for this program.

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14 Establishes the Senior Health Insurance Program and the legal
15 representation program to assist Medicare beneficiaries in DCA,
16 repeals P.L.1987, c.59, and appropriates \$250,000.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

[FIRST REPRINT]

SENATE, No. 175

with Assembly committee amendments

STATE OF NEW JERSEY

DATED: SEPTEMBER 14, 1992

The Assembly Appropriations Committee reports favorably Senate Bill No. 175 (1R) with committee amendments.

Senate Bill No. 175 (1R), as amended, establishes by statute the Senior Health Insurance Counseling Program in the Division on Aging in the Department of Community Affairs. The program was originally created by regulation. The program provides health insurance information and assistance through the county offices on aging to persons age 60 years or older. The Department of Insurance, in conjunction with the Division on Aging, will develop the training program and train the volunteer counselors who will provide the health insurance information and assistance with regard to private health insurance coverage for senior citizens.

The bill also repeals P.L.1987, c.59 (C.30:4H-1 et seq.), which established the legal representation program to assist Medicare beneficiaries in the Department of Human Services, and reestablishes that program in the Division on Aging in the Department of Community Affairs. As amended, this bill is identical to Assembly Bill No. 1173 (1R).

FISCAL IMPACT:

The bill codifies a counseling program already in existence by regulation and shifts the existing legal representation program from the Department of Human Services to the Division on Aging in the Department of Community Affairs. The Department of Community Affairs indicates that it can absorb the additional responsibilities imposed under this bill with its current personnel and with its current State and federal funding sources, and therefore no additional State cost would be incurred.

COMMITTEE AMENDMENTS:

The committee amendments clarify the findings and declaration statement for the legal assistance for Medicare beneficiaries program and allow the Director of the Division on Aging to contract with with one or more qualified nonprofit organizations, rather than requiring a contract with a single private, nonprofit Statewide organization experienced in providing representation and legal assistance to Medicare beneficiaries.

SENATE HEALTH AND HUMAN SERVICES COMMITTEE

STATEMENT TO

SENATE, No. 175

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 8, 1992

The Senate Health and Human Services Committee favorably reports Senate Bill No. 175 with committee amendments.

As amended by committee, this bill establishes by statute the Senior Health Insurance Counseling Program in the Division on Aging in the Department of Community Affairs. (The program was originally created by regulation.) The program will provide health insurance information and assistance through the county offices on aging to persons age 60 years or older. The Department of Insurance, in conjunction with the Division on Aging, will develop the training program and train the volunteer counselors who will provide the health insurance information and assistance with regard to private health insurance coverage for senior citizens.

The bill also repeals P.L.1987, c.59 (C.30:4H-1 et seq.), which established the legal representation program to assist Medicare beneficiaries in the Department of Human Services, and reestablishes this program in the Division on Aging in the Department of Community Affairs.

The committee amended the bill to change the name of the insurance information program from the Senior Health Insurance Program to the Senior Health Insurance Counseling Program, and to lower the age in the definition of "senior citizen" from 65 to 60 years of age. Other amendments clarify the findings and declaration statement for the legal assistance for Medicare beneficiaries program; require the Director of the Division on Aging to contract with a private, nonprofit Statewide organization experienced in providing representation and legal assistance to Medicare beneficiaries, rather than with one or more qualified nonprofit organizations; and delete the \$250,000 appropriation in the bill.

LEGISLATIVE FISCAL ESTIMATE TO

[FIRST REPRINT]

SENATE, No. 175

STATE OF NEW JERSEY

DATED: July 6, 1992

Senate Bill No. 175 [1R] of 1992 establishes in the Department of Community Affairs the Senior Health Insurance Program and the legal representation program to assist Medicare beneficiaries, and repeals P.L.1987, c.59.

Specifically, the Senior Health Insurance Program was created by regulation in the Division on Aging in the Department of Community Affairs. The purpose of this bill is to establish this program by statute and continue it in the Division on Aging. The program provides health insurance information and assistance through the county offices on aging to persons age 65 years or older. The Department of Insurance, in conjunction with the Division on Aging, develops the training program and trains the volunteer counselors who provide the health insurance information and assistance with regard to private health insurance coverage for senior citizens.

The bill also repeals P.L.1987, c.59 (C.30:4H-1 et seq.), which established the legal representation program to assist Medicare beneficiaries in the Department of Human Services. The bill reestablishes this program in the Division on Aging in the Department of Community Affairs.

DCA indicates that it can absorb the additional responsibilities imposed under this bill with its current personnel and with its current State and federal funding sources, and therefore no additional State cost would be incurred.

The Office of Legislative Services (OLS) concurs.

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.