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P.L. 1999, CHAPTER 332, *approved January 10, 2000*
Senate, No. 1273 (*First Reprint*)

1 **AN ACT** concerning certain health maintenance organization enrollees
2 and supplementing P.L.1973, c.337 (C.26:2J-1 et seq.).

3

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

6

7 1. a. A certificate of authority to establish and operate a health
8 maintenance organization in this State shall not be issued or continued
9 by the Commissioner of Health and Senior Services on or after the
10 effective date of this act unless the health maintenance organization
11 offers health care services in conformance with the provisions of
12 subsection b. of this section.

13 b. If an enrollee is a resident of a ¹skilled nursing facility,¹
14 continuing care retirement community or a retirement community
15 which operates a skilled nursing facility on the premises of the
16 community, regardless of whether the health maintenance organization
17 is under contract with the ¹skilled nursing facility or the¹ skilled
18 nursing facility at the continuing care retirement community or
19 retirement community, the enrollee's primary care physician shall refer
20 the enrollee to the ¹skilled nursing facility or the¹ community's
21 Medicare-certified skilled nursing unit, ¹as applicable,¹ rather than to
22 a skilled nursing facility separate from the ¹facility or the¹ community
23 of origin, if:

24 (1) the ¹skilled nursing facility or the¹ continuing care retirement
25 community or retirement community with a skilled nursing facility has
26 the capacity to provide the services the enrollee needs;

27 (2) the primary care physician, in consultation with the enrollee or
28 a representative of the enrollee's family, determines that the referral is
29 in the best interest of the enrollee;

30 (3) the ¹skilled nursing facility or the¹ continuing care retirement
31 community or retirement community with a skilled nursing facility
32 agrees to be reimbursed at the same contract rate negotiated by the
33 health maintenance organization with similar providers for the same
34 services and supplies in the same geographic area; and

35 (4) the ¹skilled nursing facility or the¹ continuing care retirement
36 community or retirement community with a skilled nursing facility
37 meets all applicable ¹State¹ licensing and certification requirements
38 ¹**[of the State in which it is located]**¹.

39 c. For the purposes of this act, "continuing care retirement
40 community" means a continuing care facility operating under a

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Senate SHH committee amendments adopted June 14, 1999.

1 certificate of authority issued by the Department of Community Affairs
2 pursuant to P.L.1986, c.103 (C.52:27D-330 et seq.), and "retirement
3 community" means a retirement community which is registered with
4 the Department of Community Affairs pursuant to P.L.1977, c.419
5 (C.45:22A-21 et seq.).

6

7 2. This act shall take effect immediately.

8

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12 _____
13 Permits HMO enrollees residing in nursing homes or certain retirement
14 communities with nursing homes to continue to receive care at that
nursing facility under certain circumstances.

SENATE, No. 1273

STATE OF NEW JERSEY
208th LEGISLATURE

INTRODUCED JUNE 29, 1998

Sponsored by:

Senator ROBERT W. SINGER

District 30 (Burlington, Monmouth and Ocean)

Senator ROBERT E. LITTELL

District 24 (Sussex, Hunterdon and Morris)

Co-Sponsored by:

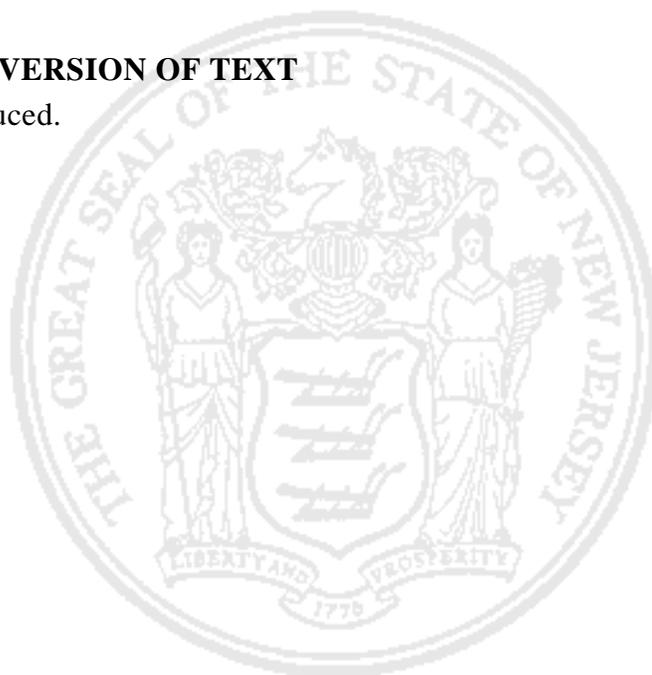
Senator McNamara

SYNOPSIS

Permits HMO enrollees residing in certain retirement communities with nursing homes to continue to receive care at that nursing facility under certain circumstances.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 5/25/1999)

1 AN ACT concerning certain health maintenance organization enrollees
2 and supplementing P.L.1973, c.337 (C.26:2J-1 et seq.).

3
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6
7 1. a. A certificate of authority to establish and operate a health
8 maintenance organization in this State shall not be issued or continued
9 by the Commissioner of Health and Senior Services on or after the
10 effective date of this act unless the health maintenance organization
11 offers health care services in conformance with the provisions of
12 subsection b. of this section.

13 b. If an enrollee is a resident of a continuing care retirement
14 community or a retirement community which operates a skilled nursing
15 facility on the premises of the community, regardless of whether the
16 health maintenance organization is under contract with the skilled
17 nursing facility at the continuing care retirement community or
18 retirement community, the enrollee's primary care physician shall refer
19 the enrollee to the community's Medicare-certified skilled nursing unit,
20 rather than to a skilled nursing facility separate from the community of
21 origin, if:

22 (1) the continuing care retirement community or retirement
23 community with a skilled nursing facility has the capacity to provide
24 the services the enrollee needs;

25 (2) the primary care physician, in consultation with the enrollee or
26 a representative of the enrollee's family, determines that the referral is
27 in the best interest of the enrollee;

28 (3) the continuing care retirement community or retirement
29 community with a skilled nursing facility agrees to be reimbursed at
30 the same contract rate negotiated by the health maintenance
31 organization with similar providers for the same services and supplies
32 in the same geographic area; and

33 (4) the continuing care retirement community or retirement
34 community with a skilled nursing facility meets all applicable licensing
35 and certification requirements of the State in which it is located.

36 c. For the purposes of this act, "continuing care retirement
37 community" means a continuing care facility operating under a
38 certificate of authority issued by the Department of Community Affairs
39 pursuant to P.L.1986, c.103 (C.52:27D-330 et seq.), and "retirement
40 community" means a retirement community which is registered with
41 the Department of Community Affairs pursuant to P.L.1977, c.419
42 (C.45:22A-21 et seq.).

43
44 2. This act shall take effect immediately.

STATEMENT

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3 This bill provides that if a health maintenance organization (HMO)
4 enrollee is a resident of a continuing care retirement community or a
5 retirement community which operates a skilled nursing facility on the
6 premises of the community, regardless of whether the health
7 maintenance organization is under contract with the skilled nursing
8 facility at the continuing care retirement community or retirement
9 community, the enrollee's primary care physician shall refer the
10 enrollee to the community's Medicare-certified skilled nursing unit,
11 rather than to a skilled nursing facility separate from the community of
12 origin, if:

13 (1) the continuing care retirement community or retirement
14 community with a skilled nursing facility has the capacity to provide
15 the services the enrollee needs;

16 (2) the primary care physician, in consultation with the enrollee or
17 a representative of the enrollee's family, determines that the referral is
18 in the best interest of the enrollee;

19 (3) the continuing care retirement community or retirement
20 community with a skilled nursing facility agrees to be reimbursed at
21 the same contract rate negotiated by the health maintenance
22 organization with similar providers for the same services and supplies
23 in the same geographic area; and

24 (4) the continuing care retirement community or retirement
25 community with a skilled nursing facility meets all applicable licensing
26 and certification requirements of the State in which it is located.

27 The provisions of this bill will insure that residents of continuing
28 care retirement communities and other retirement communities that
29 operate skilled nursing facilities on the premises of the community,
30 who are Medicare enrollees in HMOs, will be able to return to the
31 facility in their own community after a period of hospitalization, rather
32 than be required by the HMO to go to a nursing facility outside of
33 their retirement community.

34 Increasingly, residents of retirement communities who are Medicare
35 HMO enrollees are finding that the skilled nursing facility at their
36 retirement community is not a participating provider with their HMO
37 and, therefore, to receive coverage for their nursing home care the
38 enrollees are required to leave their community and enter a nursing
39 home at another location, although the nursing home in their
40 community can provide the needed care.

SENATE HEALTH COMMITTEE

STATEMENT TO

SENATE, No. 1273

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 14, 1999

The Senate Health Committee reports favorably and with committee amendments Senate Bill No. 1273.

As amended by the committee, this bill provides that if a health maintenance organization (HMO) enrollee is a resident of a skilled nursing facility, continuing care retirement community or a retirement community which operates a skilled nursing facility on the premises of the community, regardless of whether the HMO is under contract with the skilled nursing facility or the skilled nursing facility at the continuing care retirement community or retirement community, the enrollee's primary care physician shall refer the enrollee to the skilled nursing facility or the community's Medicare-certified skilled nursing unit, as applicable, rather than to a skilled nursing facility separate from the facility or community of origin, if:

- the skilled nursing facility, continuing care retirement community or retirement community with a skilled nursing facility has the capacity to provide the services the enrollee needs;
- the primary care physician, in consultation with the enrollee or a representative of the enrollee's family, determines that the referral is in the best interest of the enrollee;
- the skilled nursing facility, continuing care retirement community or retirement community with a skilled nursing facility agrees to be reimbursed at the same contract rate negotiated by the HMO with similar providers for the same services and supplies in the same geographic area; and
- the skilled nursing facility, continuing care retirement community or retirement community with a skilled nursing facility meets all applicable State licensing and certification requirements.

The provisions of this amended bill will insure that residents of skilled nursing facilities, continuing care retirement communities and other retirement communities that operate skilled nursing facilities on the premises of the community, who are Medicare enrollees in HMOs, will be able to return to their original facility of residence or to the facility in their own community after a period of hospitalization, rather than be required by the HMO to go to another nursing facility or to a nursing facility outside of their retirement community.

The committee amendments expand the provisions of this bill to apply to HMO enrollees residing in any skilled nursing facility who are admitted to an acute care hospital and are subsequently discharged to return to a nursing facility.

In addition, the committee adopted a technical amendment to clarify the requirement that a skilled nursing facility or a continuing care retirement community or retirement community with a skilled nursing facility to which an HMO enrollee is admitted pursuant to this bill shall meet all applicable New Jersey State licensing and certification requirements.

ASSEMBLY, No. 2486

STATE OF NEW JERSEY 208th LEGISLATURE

INTRODUCED OCTOBER 5, 1998

Sponsored by:

Assemblywoman CHARLOTTE VANDERVALK

District 39 (Bergen)

Assemblyman NICHOLAS R. FELICE

District 40 (Bergen and Passaic)

SYNOPSIS

Permits HMO enrollees residing in certain retirement communities with nursing homes to continue to receive care at that nursing facility under certain circumstances.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning certain health maintenance organization enrollees
2 and supplementing P.L.1973, c.337 (C.26:2J-1 et seq.).

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4 **BE IT ENACTED** by the Senate and General Assembly of the State
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12 subsection b. of this section.

13 b. If an enrollee is a resident of a continuing care retirement
14 community or a retirement community which operates a skilled nursing
15 facility on the premises of the community, regardless of whether the
16 health maintenance organization is under contract with the skilled
17 nursing facility at the continuing care retirement community or
18 retirement community, the enrollee's primary care physician shall refer
19 the enrollee to the community's Medicare-certified skilled nursing unit,
20 rather than to a skilled nursing facility separate from the community of
21 origin, if:

22 (1) the continuing care retirement community or retirement
23 community with a skilled nursing facility has the capacity to provide
24 the services the enrollee needs;

25 (2) the primary care physician, in consultation with the enrollee or
26 a representative of the enrollee's family, determines that the referral is
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29 community with a skilled nursing facility agrees to be reimbursed at
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31 organization with similar providers for the same services and supplies
32 in the same geographic area; and

33 (4) the continuing care retirement community or retirement
34 community with a skilled nursing facility meets all applicable licensing
35 and certification requirements of the State in which it is located.

36 c. For the purposes of this act, "continuing care retirement
37 community" means a continuing care facility operating under a
38 certificate of authority issued by the Department of Community Affairs
39 pursuant to P.L.1986, c.103 (C.52:27D-330 et seq.), and "retirement
40 community" means a retirement community which is registered with
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STATEMENT

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This bill provides that if a health maintenance organization (HMO) enrollee is a resident of a continuing care retirement community or a retirement community which operates a skilled nursing facility on the premises of the community, regardless of whether the health maintenance organization is under contract with the skilled nursing facility at the continuing care retirement community or retirement community, the enrollee's primary care physician shall refer the enrollee to the community's Medicare-certified skilled nursing unit, rather than to a skilled nursing facility separate from the community of origin, if:

(1) the continuing care retirement community or retirement community with a skilled nursing facility has the capacity to provide the services the enrollee needs;

(2) the primary care physician, in consultation with the enrollee or a representative of the enrollee's family, determines that the referral is in the best interest of the enrollee;

(3) the continuing care retirement community or retirement community with a skilled nursing facility agrees to be reimbursed at the same contract rate negotiated by the health maintenance organization with similar providers for the same services and supplies in the same geographic area; and

(4) the continuing care retirement community or retirement community with a skilled nursing facility meets all applicable licensing and certification requirements of the State in which it is located.

The provisions of this bill will insure that residents of continuing care retirement communities and other retirement communities that operate skilled nursing facilities on the premises of the community, who are Medicare enrollees in HMOs, will be able to return to the facility in their own community after a period of hospitalization, rather than be required by the HMO to go to a nursing facility outside of their retirement community.

Increasingly, residents of retirement communities who are Medicare HMO enrollees are finding that the skilled nursing facility at their retirement community is not a participating provider with their HMO and, therefore, to receive coverage for their nursing home care the enrollees are required to leave their community and enter a nursing home at another location, although the nursing home in their community can provide the needed care.

ASSEMBLY HEALTH COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2486

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 7, 1999

The Assembly Health Committee reports favorably and with committee amendments Assembly Bill No. 2486.

As amended by the committee, this bill provides that if a health maintenance organization (HMO) enrollee is a resident of a continuing care retirement community or a retirement community which operates a skilled nursing facility on the premises of the community, regardless of whether the HMO is under contract with the skilled nursing facility at the continuing care retirement community or retirement community, the enrollee's primary care physician shall refer the enrollee to the community's Medicare-certified skilled nursing unit, rather than to a skilled nursing facility separate from the community of origin, if:

- the continuing care retirement community or retirement community with a skilled nursing facility has the capacity to provide the services the enrollee needs;
- the primary care physician, in consultation with the enrollee or a representative of the enrollee's family, determines that the referral is in the best interest of the enrollee;
- the continuing care retirement community or retirement community with a skilled nursing facility agrees to be reimbursed at the same contract rate negotiated by the HMO with similar providers for the same services and supplies in the same geographic area; and
- the continuing care retirement community or retirement community with a skilled nursing facility meets all applicable State licensing and certification requirements.

The provisions of this bill will insure that residents of continuing care retirement communities and other retirement communities that operate skilled nursing facilities on the premises of the community, who are Medicare enrollees in HMOs, will be able to return to the facility in their own community after a period of hospitalization, rather than be required by the HMO to go to a nursing facility outside of their retirement community.

Increasingly, residents of retirement communities who are Medicare HMO enrollees are finding that the skilled nursing facility at their retirement community is not a participating provider with their

HMO and, therefore, to receive coverage for their nursing home care the enrollees are required to leave their community and enter a nursing home at another location, although the nursing home in their community can provide the needed care.

The committee adopted a technical amendment to clarify the requirement that a continuing care retirement community or retirement community with a skilled nursing facility to which an HMO enrollee is admitted pursuant to this bill shall meet all applicable New Jersey State licensing and certification requirements.

As reported by the committee, this bill is similar to Senate Bill No. 1273 (Singer/Littell), which is currently pending in the Senate Health Committee.

STATEMENT TO
[First Reprint]
ASSEMBLY, No. 2486

with Assembly Floor Amendments
(Proposed By Assemblywoman VANDERVALK)

ADOPTED: NOVEMBER 15, 1999

These amendments expand the provisions of this bill to apply to HMO enrollees residing in any skilled nursing facility who are admitted to an acute care hospital and are subsequently discharged to return to a nursing facility. With these amendments, this bill ensures that residents of skilled nursing facilities, continuing care retirement communities and other retirement communities that operate skilled nursing facilities on the premises of the community, who are Medicare enrollees in HMOs, will be able to return to their original facility of residence or to the facility in their own community after a period of hospitalization, rather than be required by the HMO to go to another nursing facility.

Office of the Governor
NEWS RELEASE

CONTACT: Gene Herman
609-777-2600

RELEASE: January 10, 2000

Gov. Christie Whitman today signed the following pieces of legislation:

S-436, sponsored by Senators C. Louis Bassano (R-Essex/Union) and Diane B. Allen (R-Burlington/Camden), requires the Department of Health and Senior Services (DHSS) to prepare an informational pamphlet on the nature and causes of osteoporosis and methods used to treat and prevent osteoporosis. The bill appropriates \$25,000 from the General Fund to DHSS to fund the printing and distribution of the pamphlets.

S-1735, sponsored by Senators William L. Gormley (R-Atlantic) and John A. Girgenti (D-Passaic) and Assembly Members Kenneth C. LeFevre (R-Atlantic) and Francis J. Blee (R-Atlantic), amends the reckless endangerment statute to clarify that adulteration of a drink or other substance constitutes the fourth degree offense of reckless endangerment. Specifically, the bill clarifies that this offense is committed when a person purposely or knowingly gives another person a drink or other substance that is intoxicating, tranquilizing or disorienting, when that other person does not know the identity and effect of the drink or substance.

A-2775, sponsored by Assembly Members John V. Kelly (R-Bergen/Essex/Passaic) and Paul DiGaetano (R-Bergen/Essex/Passaic) and Senator Garry J. Furnari (D-Bergen/Essex/Passaic), provides a grant of \$75,000 to create a study skills program in the East Rutherford Boro School District to address the needs of at-risk pupils. Pupils who are at-risk will be determined by using multiple indicators, including test scores, writing portfolios, teacher recommendations, and parental input. Funding will be utilized for staffing, teaching materials and other supplies. The bill makes a supplemental appropriation to the Fiscal Year 2000 budget.

A-1019, sponsored by Assembly Members Charles Zisa (D-Bergen) and Alan M. Augustine (R-Middlesex/Morris/Somerset/Union), and Senator Joseph A. Palaia (R-Monmouth), provides that commencing on September 1, 2002, any buildings and grounds supervisor employed by a school district must be a certified educational facilities manager. The bill directs the State Board of Education to issue rules and regulations to administer the program. The bill provides that a certified educational facilities manager must meet specific requirements, including having two years of experience in the field of buildings and grounds supervision and graduate as a certified educational facilities manager from the New Jersey Educational Facility Management Program at Rutgers University, or an equivalent program at an accredited institution of higher learning.

A-2993, sponsored by Assembly Members Gerald J. Luongo (R-Camden/Gloucester) and Senator Robert E. Littell (R-Sussex/Hunterdon/Morris), excludes bonds supported by open space, recreation, farmland or historic preservation taxes from calculation of gross debt of a county or municipality. Gross debt is a measure used under the Local Bond Law to derive the net debt of a county or municipality for purposes of establishing a county or municipal debt limit.

A-1445, sponsored by Assembly Members Jack Collins (R- Salem/Cumberland/Gloucester) and Marion Crecco (R-Essex/Passaic) and Senators Norman Robertson (R-Essex/Passaic) and Anthony R. Bucco (R- Morris), permits a police officer enrolled in the Police and Firemen's Retirement System to purchase up to three years of service credit based on inactive time between a point of no-fault layoff and the point of rehiring the employee.

A-2133, sponsored by Assembly Members John V. Kelly (R- Bergen/Essex/Passaic) and Joseph V. Doria, Jr. (D-Hudson), requires health insurers, including hospital service corporations, medical service corporations, health service corporations, commercial insurers and health maintenance organizations to provide health benefits coverage for annual mammograms for women aged 40 and over. Previous law provided for annual mammogram coverage for women 50 and over; women who are at least 40, but less than 50, were provided coverage for biannual examinations.

S-1503, sponsored by Senator Richard J. Codey (D-Essex) and Assembly Members John V. Kelly (R-Bergen/Essex/Passaic) and Paul DiGaetano (R-Bergen/Essex/Passaic), revises pension benefits and employee contribution rates for members of certain board of education pension funds.

A-2943, sponsored by Assembly Members Jack Collins (R-Cumberland/Gloucester/Salem) and Christopher Bateman (R-Morris/Somerset) and Senators Robert W. Singer (R-Burlington/Monmouth/Ocean) and Diane B. Allen (R-Burlington/Camden), requires the return of unearned premiums on a pro rata basis for canceled automobile insurance policies. Previous law only required an insurer to return unpaid premiums on a short rate basis, which is an amount less than the pro rata basis because a percentage of administrative costs are charged to the insured.

A-1706, sponsored by Assembly Member John V. Kelly (R-Bergen/Essex/Passaic) and Senators Robert W. Singer (R-Burlington/Monmouth/Ocean) and Louis F. Kosco (R-Bergen), establishes a procedure to be followed by landlords of commercial or residential property when disposing of tangible property left behind in premises that had been vacated by a tenant.

S-1062, sponsored by Senators William L. Gormley (R-Atlantic) and Edward T. O'Connor, Jr. (D-Hudson) and Assembly Members Richard A. Merkt (R-Morris) and Michael Patrick Carroll (R-Morris), establishes a procedure for dealing with lost or abandoned property.

A-3298, sponsored by Assembly Members John S. Wisniewski (D-Middlesex) and Gerald J. Luongo (R-Camden/Gloucester) and Senators Joseph F. Vitale (D-Middlesex) and Nicholas J. Sacco (D-Bergen/Hudson), allows for re-certification of the special district tax for school districts if the school district's surplus account is higher than estimated at the school election in certain circumstances.

S-1697, sponsored by Senators William L. Gormley (R-Atlantic) and Wayne R. Bryant (D-Camden/Gloucester) and Assembly Members James W. Holzapfel (R- Monmouth/Ocean) and Kenneth C. LeFevre (R-Atlantic), authorizes a court to issue a restraining order prohibiting a person charged with, convicted of or adjudicated delinquent for any drug distribution offense or any offense involving the use or possession of an assault weapon from returning to the place where the offense occurred.

A-960, sponsored by Assembly Member Alan M. Augustine (R- Middlesex/Morris/Somerset /Union), requires pet shops to refund the purchase price, reimburse any veterinary fees, or provide replacement for sick cats or dogs under certain circumstances.

S-1273, sponsored by Senators Robert W. Singer (R- Burlington/Monmouth/Ocean) and Robert W. Littell (R-Sussex/Hunterdon/Morris) and Assembly Members Charlotte Vandervalk (R- Bergen) and Nicholas R. Felice (R-Bergen/Passaic), permits HMO enrollees residing in certain retirement communities with nursing homes to continue to receive care at that nursing facility under certain circumstances.

A-1653, sponsored by Assembly Members John V. Kelly (R- Bergen/Essex/Passaic) and Neil M. Cohen (D-Union) and Senator Gerald Cardinale (R-Bergen), requires health insurers, including hospital service corporations, medical service corporation, health service corporations, commercial insurers and health maintenance organizations to provide insurance coverage benefits for health wellness examinations and counseling. The bill appropriates \$95,000 to the Department of Health and Senior Services for allocation to the Health Wellness Promotion Advisory Board to evaluate implementation of the provisions of the bill and to ensure awareness and utilization of the health promotion program by covered persons and health care providers.

A-2461, sponsored by Assembly Member Gary W. Stuhltrager (R-Salem/Cumberland/ Gloucester), extends the cap on tax liability on transfers of hazardous substances to certain successors in interest.