

52:9YY-1

LEGISLATIVE HISTORY CHECKLIST

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LAWS OF: 2001 **CHAPTER:** 192
NJSA: 52:9YY-1 ("Health Data Commission Act")
BILL NO: A314 (Substituted for S374)

SPONSOR(S): Vandervalk and Cohen

DATE INTRODUCED: January 11, 2000

COMMITTEE: **ASSEMBLY:** Health

SENATE: Health

AMENDED DURING PASSAGE: Yes

DATE OF PASSAGE: **ASSEMBLY:** October 5, 2000

SENATE: June 28, 2001

DATE OF APPROVAL: July 31, 2001

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL (2nd reprint enacted)

(Amendments during passage denoted by superscript numbers)

A314

SPONSORS STATEMENT: (Begins on page 8 of original bill) Yes

COMMITTEE STATEMENT: **ASSEMBLY:** Yes

SENATE: Yes

FLOOR AMENDMENT STATEMENTS: No

LEGISLATIVE FISCAL NOTE: Yes

S374

SPONSORS STATEMENT: (Begins on page 8 of original bill) Yes

Bill and Sponsors Statement identical to A314

COMMITTEE STATEMENT:	ASSEMBLY:	No
	SENATE:	Yes
FLOOR AMENDMENT STATEMENTS:		No
LEGISLATIVE FISCAL ESTIMATE:		No
VETO MESSAGE:		No
GOVERNOR'S PRESS RELEASE ON SIGNING:		Yes

FOLLOWING WERE PRINTED:

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REPORTS:	No
HEARINGS:	No
NEWSPAPER ARTICLES:	No

ASSEMBLY, No. 314

STATE OF NEW JERSEY 209th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2000 SESSION

Sponsored by:

**Assemblywoman CHARLOTTE VANDERVALK
District 39 (Bergen)**

Co-Sponsored by:

Assemblymen Thompson and Cohen

SYNOPSIS

"Health Data Commission Act;" appropriates \$94,000.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



(Sponsorship Updated As Of: 2/1/2000)

1 AN ACT establishing the New Jersey Health Data Commission,
2 supplementing Title 52 of the Revised Statutes and making an
3 appropriation.

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

7
8 1. This act shall be known and may be cited as the "Health Data
9 Commission Act."

10
11 2. The Legislature finds and declares that:

12 a. It is the intention of the Legislature to establish a single point of
13 contact for members of the public to obtain health data through the
14 creation of the New Jersey Health Data Commission;

15 b. The purpose of this commission is to compile health care access,
16 quality and cost data produced within the State from public and
17 private entities and maximize the usefulness of the data for the public
18 without duplicating existing data collection efforts by State agencies;
19 and

20 c. It is anticipated that the expense to the State of compiling and
21 disseminating the available and useful health data for the benefit of the
22 public will be minimal and will be partially offset by subscriptions to
23 routinely published commission documents, the purchase of special
24 commission reports, and the receipt of grants to provide health data
25 information to the public.

26
27 3. As used in this act:

28 "Commission" means the New Jersey Health Data Commission
29 established pursuant to this act.

30 "Disclosure" means the disclosure of health data to a person or
31 entity outside the commission.

32 "Health data" means any information, except vital statistics as
33 defined in R.S.26:8-1, relating to the health status of people, the
34 availability of health care resources and services, or the use and cost
35 of these resources and services.

36 "Identifiable health data" means any item, collection or grouping of
37 health data which makes the person supplying it or described in it
38 identifiable.

39 "Research and statistical purposes" means the performance of
40 certain activities relating to health data, including, but not limited to:
41 describing the group characteristics of persons or entities; analyzing
42 the interrelationships among various characteristics of persons or
43 entities; the conduct of statistical procedures or studies to improve the
44 quality of health data; the design of sample surveys and the selection
45 of samples of persons or entities; the preparation and publication of
46 reports describing these activities; and other related functions; but

1 excluding the use of health data for a person or entity to make a
2 determination directly affecting the rights, benefits or entitlements of
3 that person or entity.

4
5 4. a. There is created a permanent commission to be known as the
6 "New Jersey Health Data Commission." The commission shall consist
7 of 32 members as follows: the Commissioners of Health and Senior
8 Services, Human Services, Banking and Insurance, Labor, Community
9 Affairs and Personnel and the State Treasurer, or their designees, as
10 ex officio members; two members each from the Senate and General
11 Assembly to be appointed by the President of the Senate and the
12 Speaker of the General Assembly, respectively, who in each case shall
13 be members of different political parties; and 21 public members who
14 shall be appointed by the Governor as follows: one person upon the
15 recommendation of the New Jersey Health Care Payers Coalition; one
16 person upon the recommendation of the New Jersey Health Care
17 Quality Institute; one person upon the recommendation of the New
18 Jersey Business and Industry Association; one person upon the
19 recommendation of the New Jersey AFL-CIO; one person upon the
20 recommendation of the Medical Society of New Jersey; one person
21 upon the recommendation of the New Jersey Hospital Association; one
22 person upon the recommendation of the New Jersey Association of
23 Health Care Facilities, one person upon the recommendation of the
24 New Jersey State Nurses Association; one person upon the
25 recommendation of the New Jersey Dental Association; one person
26 upon the recommendation of the Home Health Assembly of New
27 Jersey, Inc.; one person upon the recommendation of the Mental
28 Health Association in New Jersey; one person upon the
29 recommendation of the New Jersey Pharmacists Association; one
30 person upon the recommendation of the New Jersey Health Officers
31 Association; one person upon the recommendation of Horizon Blue
32 Cross Blue Shield of New Jersey; one person upon the
33 recommendation of the Health Insurance Association of America; one
34 person upon the recommendation of the New Jersey Association of
35 Health Plans; one person upon the recommendation of a domestic
36 stock health insurance carrier based in New Jersey; one person who
37 represents teaching and research hospitals, upon the joint
38 recommendation of the University of Medicine and Dentistry of New
39 Jersey, the University Health System of New Jersey, Robert Wood
40 Johnson University Hospital and Cooper Hospital/University Medical
41 Center; and three other public members who are consumers of health
42 care services and are not represented by any of the other categories of
43 public members included on the commission, one of whom shall be
44 enrolled as a beneficiary of the Medicare program established pursuant
45 to the federal Social Security Act, Pub.L.89-97 (42 U.S.C. s.1395 et
46 seq.).

A314 VANDERVALK

1 b. All appointments to the commission shall be made no later than
2 the 90th day after the effective date of this act. The commission shall
3 organize upon the appointment of a majority of its authorized
4 membership.

5 c. Appointed members of the commission shall serve for three-year
6 terms, except that of the public members first appointed, five shall be
7 appointed for terms of one year, eight for terms of two years and eight
8 for terms of three years.

9 d. Each member shall hold office for the term of appointment and
10 until a successor is appointed and qualified. All vacancies shall be
11 filled in the same manner as the original appointment. Members
12 appointed to fill a vacancy occurring for any reason other than the
13 expiration of the term shall serve for the unexpired term only. An
14 appointed member of the commission shall be eligible for
15 reappointment. An appointed member may be removed for cause.

16 e. Appointed members shall serve without compensation, but shall
17 be reimbursed for necessary expenses incurred in the performance of
18 their duties.

19 f. The commission shall select a chairman from among the public
20 members, who shall serve a one-year term but may serve consecutive
21 terms. The commission shall adopt by-laws. The commission shall
22 meet at least quarterly and may meet at other times at the call of the
23 chairman. The commission shall in all respects comply with the
24 provisions of the "Open Public Meetings Act," P.L.1975, c.231
25 (C.10:4-6 et seq.). No motion to take any action by the commission
26 shall be valid except upon the affirmative vote of a majority of the
27 quorum required to conduct business.

28 g. The commission shall appoint a full-time executive director, who
29 shall serve as secretary to the commission. The executive director shall
30 serve at the pleasure of the commission and shall be qualified by
31 training and experience to perform the duties of the position. The
32 executive director shall be in the unclassified service of the Civil
33 Service and may hire properly qualified employees, within the limits of
34 funds appropriated or otherwise made available to the commission,
35 who shall also be employed in the unclassified service of the Civil
36 Service; except that employees performing stenographic or clerical
37 duties shall be in the career service and appointed pursuant to Title
38 11A of the New Jersey Statutes.

39

40 5. a. The commission may:

41 (1) collect and maintain health data from State government agencies
42 or other entities on:

43 (a) the extent, nature and impact of illness and disability on the
44 population of the State;

45 (b) the determinants of health and health hazards;

46 (c) health resources, including the extent of available personnel and

- 1 resources;
- 2 (d) utilization of health care;
- 3 (e) health care costs and financing; and
- 4 (f) other health-related matters;
- 5 (2) undertake and support research, demonstrations and evaluations
- 6 concerning new or improved methods for obtaining current data with
- 7 respect to any of the health data described in paragraph (1) of this
- 8 subsection; and
- 9 (3) promote standards for health data that will facilitate the
- 10 comparison of information and ease the burden of data preparation and
- 11 reporting.
- 12 b. The commission may collect health data on behalf of other
- 13 entities.
- 14 c. The commission shall collect health data only on a voluntary
- 15 basis from persons and entities, except to the extent that specific
- 16 statutory authority exists to compel the reporting of such data. When
- 17 requesting health data from a person or entity, the agency shall notify
- 18 the person or entity in writing as to the following:
- 19 (1) whether the person or entity is required to supply the health
- 20 data and any sanctions which may be imposed for noncompliance;
- 21 (2) the purposes for which the health data is being collected; and
- 22 (3) if the commission intends to disclose identifiable health data for
- 23 other than research and statistical purposes, the information to be
- 24 disclosed, to whom it is to be disclosed, and for what purposes.
- 25 d. Except as provided in section 6 of this act, no health data
- 26 obtained by the commission may be used for any purpose other than
- 27 the purpose for which they were supplied or for which the person or
- 28 entity described in the data has otherwise consented.
- 29 e. The commission shall:
- 30 (1) take such actions as may be necessary to assure that the health
- 31 data which it obtains and maintains are accurate, timely and
- 32 comprehensive, as well as specific, standardized and adequately
- 33 analyzed and indexed; and
- 34 (2) publish, disseminate and otherwise make available these data on
- 35 as wide a basis as practicable.
- 36 f. The commission shall take such actions as are appropriate to
- 37 effect the collection and compilation of health data produced within
- 38 the State and to maximize the usefulness of the data collected.
- 39 g. The commission shall:
- 40 (1) participate with federal, State and local government agencies in
- 41 the design and implementation of a cooperative system of producing
- 42 comparable and uniform health data at the federal, State and local
- 43 levels;
- 44 (2) undertake and support research, development, demonstrations
- 45 and evaluations concerning such a cooperative system; and
- 46 (3) assume its fair share of the data costs associated with

1 implementing and maintaining such a system.

2

3 6. a. The commission shall make no disclosure of any health data
4 which identifies a person's health status or utilization of health care
5 unless:

6 (1) the person described in the data has consented to the disclosure;
7 or

8 (2) the disclosure is to a federal government agency or a state
9 government agency in this or another state, except that:

10 (a) the data shall be used for a purpose for which the data was
11 collected by the commission; and

12 (b) the recipient of the data shall enter into a written agreement
13 with the commission that it will protect the data in accordance with the
14 requirements of this act and will not permit further disclosure without
15 the prior approval of the commission; or

16 (3) the disclosure is to a person or entity, for a specified period of
17 time determined by the commission, solely for bona fide research and
18 statistical purposes, as determined in accordance with guidelines
19 adopted by the commission, when:

20 (a) the commission determines that the disclosure of the data to the
21 requesting person or entity is required for the research and statistical
22 purposes proposed; and

23 (b) the requesting person or entity has entered into a written
24 agreement with the commission that it will protect the data in
25 accordance with the requirements of this act and will not permit
26 further disclosure without the prior approval of the commission;
27 except that the name, address or other unique personal identifier of a
28 person supplying the data or identified in it shall not be disclosed to
29 the requesting person or entity.

30 b. Any disclosure provided for in this section shall be made at the
31 discretion of the commission.

32 c. No identifiable health data obtained by the commission shall be
33 subject to subpoena or similar compulsory process in a civil or
34 criminal, judicial, administrative or legislative proceeding, nor shall a
35 person or entity with lawful access to identifiable health data pursuant
36 to this act be compelled to testify with regard to that data; except that
37 data pertaining to a party in litigation may be subject to subpoena or
38 similar compulsory process in an action brought by or on behalf of that
39 party to enforce a liability arising under this act.

40

41 7. The commission shall take appropriate measures to protect the
42 security of health data which it obtains, including:

43 a. limiting access to the data to authorized persons;

44 b. designating a person to be responsible for the physical security
45 of the data;

46 c. developing and implementing a system for monitoring the

1 security of the data;

2 d. periodically reviewing all health data to evaluate whether it is
3 appropriate to remove identifying characteristics from the data; and

4 e. developing a program for the routine scheduled destruction of
5 all forms, records or electronic files maintained by the commission
6 which contain identifiable health data.

7

8 8. In addition to any other powers authorized by law, the
9 commission shall have the authority, in accordance with State law, to:

10 a. make and enter into contracts to purchase services and supplies
11 and to hire consultants;

12 b. develop and submit a proposed budget;

13 c. accept gifts and charitable contributions;

14 d. apply for, receive and expend grants;

15 e. adopt regulations, pursuant to the "Administrative Procedure
16 Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to effectuate the purposes
17 of this act;

18 f. establish charges for and collect payment from persons and
19 entities for the provision of services, including the dissemination of
20 health data;

21 g. receive and expend appropriations;

22 h. enter into a reimbursable work program with other State
23 government agencies or private entities under which funds are
24 transferred from the other agencies or entities to the commission for
25 the performance of activities pursuant to this act; and

26 i. provide such other services and perform such other functions as
27 the commission deems necessary to fulfill its responsibilities under this
28 act.

29

30 9. a. A person or entity whom the commission determines has
31 violated any of the provisions of section 6 of this act regarding the
32 disclosure of health data shall be subject, in addition to any other
33 penalties that may be prescribed by law, to: a civil penalty of not more
34 than \$10,000 for each such violation, but not to exceed \$50,000 in the
35 aggregate for multiple violations; or a civil penalty of not more than
36 \$250,000, if the commission finds that these violations have occurred
37 with such frequency as to constitute a general business practice.

38 The penalty shall be sued for and collected in the name of the
39 commission in a summary proceeding in accordance with the "penalty
40 enforcement law," N.J.S.A.2A:58-1 et seq.

41 b. The commission or an entity acting on its behalf shall be liable
42 to a person or entity injured by the intentional or negligent violation
43 of any provision of section 6 of this act in an amount equal to the
44 damages sustained by the person or entity, together with the cost of
45 the action and reasonable attorney's fees, as determined by the court.

1 10. There is appropriated \$94,000 from the General Fund to the
2 New Jersey Health Data Commission to carry out the provisions of
3 this act.

4
5 11. This act shall take effect immediately.
6

7
8 STATEMENT
9

10 This bill establishes a permanent commission to be known as the
11 "New Jersey Health Data Commission."

12 The commission shall consist of 32 members as follows: the
13 Commissioners of Health and Senior Services, Human Services,
14 Banking and Insurance, Labor, Community Affairs and Personnel and
15 the State Treasurer, or their designees; two members each from the
16 Senate and General Assembly, who in each case shall be members of
17 different political parties; and 21 public members appointed by the
18 Governor, including a representative from each of the following: the
19 New Jersey Health Care Payers Coalition, the New Jersey Health Care
20 Quality Institute, the New Jersey Business and Industry Association,
21 the New Jersey AFL-CIO, the Medical Society of New Jersey, the
22 New Jersey Hospital Association, the New Jersey Association of
23 Health Care Facilities, the New Jersey State Nurses Association, the
24 New Jersey Dental Association, the Home Health Assembly of New
25 Jersey, Inc., the Mental Health Association in New Jersey, the New
26 Jersey Pharmacists Association, the New Jersey Health Officers
27 Association, Horizon Blue Cross Blue Shield of New Jersey, the
28 Health Insurance Association of America, the New Jersey Association
29 of Health Plans, a domestic stock health insurance carrier based in
30 New Jersey, and teaching and research hospitals; in addition to three
31 health care consumers, one of whom is a Medicare enrollee.

32 The bill provides that the commission may:

33 (1) collect and maintain health data from State government agencies
34 or other entities on:

35 (a) the extent, nature and impact of illness and disability on the
36 population of the State;

37 (b) the determinants of health and health hazards;

38 (c) health resources, including the extent of available manpower and
39 resources;

40 (d) utilization of health care;

41 (e) health care costs and financing; and

42 (f) other health-related matters;

43 (2) undertake and support research, demonstrations and evaluations
44 concerning new or improved methods for obtaining current health
45 data; and

46 (3) promote standards for health data that will facilitate the

1 comparison of information and ease the burden of data preparation and
2 reporting.

3 The commission shall collect health data only on a voluntary basis
4 from persons and entities, except to the extent that specific statutory
5 authority exists to compel the reporting of such data. Except as
6 specified in the bill, no health data obtained by the commission may be
7 used for any purpose other than the purpose for which they were
8 supplied or for which the person or entity described in the data has
9 otherwise consented.

10 The commission shall:

11 (1) take such actions as may be necessary to assure that the health
12 data which it obtains and maintains are accurate, timely and
13 comprehensive, as well as specific, standardized and adequately
14 analyzed and indexed; and

15 (2) publish, disseminate and otherwise make available these data on
16 as wide a basis as practicable.

17 The commission shall make no disclosure of any health data which
18 identifies a person's health status or utilization of health care unless:

19 (1) the person described in the data has consented to the disclosure;

20 or

21 (2) the disclosure is to a federal government agency or a state
22 government agency in this or another state, except that:

23 (a) the data shall be used for a purpose for which the data was
24 collected by the commission; and

25 (b) the recipient of the data shall enter into a written agreement
26 with the commission that it will protect the data in accordance with the
27 requirements of this bill and will not permit further disclosure without
28 the prior approval of the commission; or

29 (3) the disclosure is to a person or entity, for a specified period of
30 time determined by the commission, solely for bona fide research and
31 statistical purposes, as determined in accordance with guidelines
32 adopted by the commission, when:

33 (a) the commission determines that the disclosure of the data to the
34 requesting person or entity is required for the research and statistical
35 purposes proposed; and

36 (b) the requesting person or entity has entered into a written
37 agreement with the commission that it will protect the data in
38 accordance with the requirements of this bill and will not permit
39 further disclosure without the prior approval of the commission;
40 except that the name, address or other unique personal identifier of a
41 person supplying the data or identified in it shall not be disclosed to
42 the requesting person or entity.

43 Any disclosure provided for in this bill shall be made at the
44 discretion of the commission.

45 No identifiable health data obtained by the commission shall be
46 subject to subpoena or similar compulsory process in a civil or

1 criminal, judicial, administrative or legislative proceeding, nor shall a
2 person or entity with lawful access to identifiable health data pursuant
3 to this bill be compelled to testify with regard to that data; except that
4 data pertaining to a party in litigation may be subject to subpoena or
5 similar compulsory process in an action brought by or on behalf of that
6 party to enforce a liability arising under this bill.

7 The commission shall take appropriate measures to protect the
8 security of health data which it obtains, including:

9 a. limiting access to the data to authorized persons who have
10 received training in handling the data;

11 b. designating a person to be responsible for the physical security
12 of the data;

13 c. developing and implementing a system for monitoring the
14 security of the data;

15 d. periodically reviewing all health data to evaluate whether it is
16 appropriate to remove identifying characteristics from the data; and

17 e. developing a program for the routine scheduled destruction of
18 all forms, records or electronic files maintained by the commission
19 which contain identifiable health data.

20 The commission shall adopt regulations, pursuant to the
21 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
22 seq.), to effectuate the purposes of this bill, and shall appoint an
23 executive director who may hire staff within the limits of available
24 funds. A \$94,000 appropriation to the commission is provided in the
25 bill.

ASSEMBLY HEALTH COMMITTEE

STATEMENT TO

ASSEMBLY, No. 314

with committee amendments

STATE OF NEW JERSEY

DATED: MAY 1, 2000

The Assembly Health Committee reports favorably and with committee amendments Assembly Bill No. 314.

As amended by the committee, this bill establishes a permanent commission to be known as the "New Jersey Health Data Commission."

The commission shall consist of 32 members as follows: the Commissioners of Health and Senior Services, Human Services, Banking and Insurance, Labor, Community Affairs and Personnel and the State Treasurer, or their designees; two members each from the Senate and General Assembly, who in each case shall be members of different political parties; and 21 public members appointed by the Governor, including a representative from each of the following: the New Jersey Health Care Payers Coalition, the New Jersey Health Care Quality Institute, the New Jersey Business and Industry Association, the New Jersey AFL-CIO, the Medical Society of New Jersey, the New Jersey Hospital Association, the New Jersey Association of Health Care Facilities, the New Jersey State Nurses Association, the New Jersey Dental Association, the Home Health Assembly of New Jersey, Inc., the Mental Health Association in New Jersey, the New Jersey Pharmacists Association, the New Jersey Health Officers Association, Horizon Blue Cross Blue Shield of New Jersey, the Health Insurance Association of America, the New Jersey Association of Health Plans, a domestic stock health insurance carrier based in New Jersey, and teaching and research hospitals; in addition to three health care consumers, one of whom is a Medicare enrollee.

The bill provides that the commission may:

(1) collect and maintain health data from State government agencies or other entities on:

(a) the extent, nature and impact of illness and disability on the population of the State;

(b) the determinants of health and health hazards;

(c) health resources, including the extent of available manpower and resources;

(d) utilization of health care;

(e) health care costs and financing; and

(f) other health-related matters;

(2) undertake and support research, demonstrations and evaluations concerning new or improved methods for obtaining current health data; and

(3) promote standards for health data that will facilitate the comparison of information and ease the burden of data preparation and reporting.

The commission shall collect health data only on a voluntary basis from persons and entities, except to the extent that specific statutory authority exists to compel the reporting of such data. No health data obtained by the commission may be used for any purpose other than the purpose for which they were supplied or for which the person or entity described in the data has otherwise consented.

The commission shall:

(1) take such actions as may be necessary to assure that the health data which it obtains and maintains are accurate, timely and comprehensive, as well as specific, standardized and adequately analyzed and indexed; and

(2) publish, disseminate and otherwise make available these data on as wide a basis as practicable.

The commission shall make no disclosure of any health data which identifies a person's health status or utilization of health care unless the person described in the data has consented to the disclosure. The same restriction applies to a person or entity to whom the commission has disclosed health data.

No identifiable health data obtained by the commission shall be subject to subpoena or similar compulsory process in a civil or criminal, judicial, administrative or legislative proceeding, nor shall a person or entity with lawful access to identifiable health data pursuant to this bill be compelled to testify with regard to that data; except that data pertaining to a party in litigation may be subject to subpoena or similar compulsory process in an action brought by or on behalf of that party to enforce a liability arising under this bill.

The commission shall take appropriate measures to protect the security of health data which it obtains, including:

a. limiting access to the data to authorized persons who have received training in handling the data;

b. designating a person to be responsible for the physical security of the data;

c. developing and implementing a system for monitoring the security of the data;

d. periodically reviewing all health data to evaluate whether it is appropriate to remove identifying characteristics from the data; and

e. developing a program for the routine scheduled destruction of all forms, records or electronic files maintained by the commission which contain identifiable health data.

The commission shall adopt regulations, pursuant to the "Administrative Procedure Act," N.J.S.A.52:14B-1 et seq., to

effectuate the purposes of this bill, and shall appoint an executive director who may hire staff within the limits of available funds. A \$94,000 appropriation to the commission is provided in the bill.

The committee amended the bill to strengthen its confidentiality provisions (in section 6) by providing that neither the commission, nor a person or entity to whom the commission has disclosed health data, shall disclose any health data which identifies a person's health status or utilization of health care unless the person described in the data has consented to the disclosure.

This bill is similar to Assembly Bill No. 2432 (1R) of 1998 (Vandervalk) which this committee reported during the prior session, and which passed the General Assembly 75-1-1 on March 15, 1999.

This bill was prefiled for introduction in the 2000-2001 session pending technical review. As reported, the bill includes the changes required by technical review which has been performed.

[First Reprint]

ASSEMBLY, No. 314

STATE OF NEW JERSEY
209th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2000 SESSION

Sponsored by:

Assemblywoman CHARLOTTE VANDERVALK

District 39 (Bergen)

Assemblyman NEIL M. COHEN

District 20 (Union)

Co-Sponsored by:

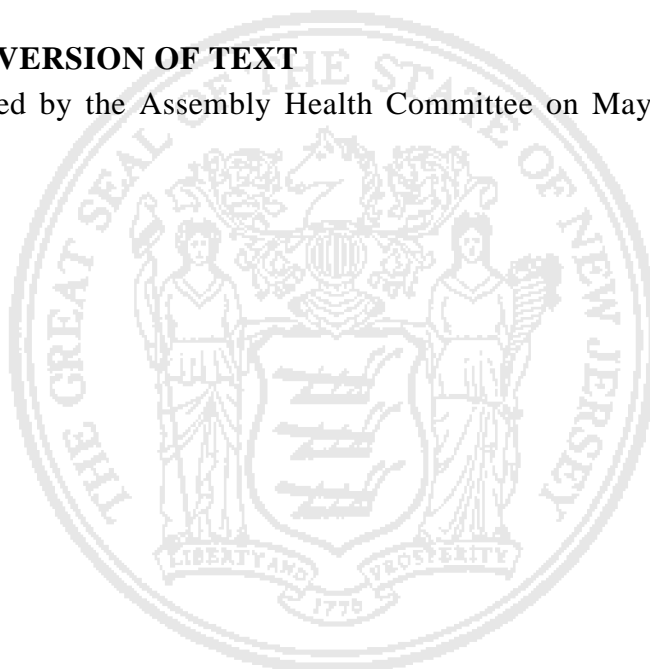
Assemblymen Thompson

SYNOPSIS

"Health Data Commission Act;" appropriates \$94,000.

CURRENT VERSION OF TEXT

As reported by the Assembly Health Committee on May 1, 2000, with amendments.



(Sponsorship Updated As Of: 10/6/2000)

1 AN ACT establishing the New Jersey Health Data Commission,
2 supplementing Title 52 of the Revised Statutes and making an
3 appropriation.

4

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

7

8 1. This act shall be known and may be cited as the "Health Data
9 Commission Act."

10

11 2. The Legislature finds and declares that:

12 a. It is the intention of the Legislature to establish a single point of
13 contact for members of the public to obtain health data through the
14 creation of the New Jersey Health Data Commission;

15 b. The purpose of this commission is to compile health care access,
16 quality and cost data produced within the State from public and
17 private entities and maximize the usefulness of the data for the public
18 without duplicating existing data collection efforts by State agencies;
19 and

20 c. It is anticipated that the expense to the State of compiling and
21 disseminating the available and useful health data for the benefit of the
22 public will be minimal and will be partially offset by subscriptions to
23 routinely published commission documents, the purchase of special
24 commission reports, and the receipt of grants to provide health data
25 information to the public.

26

27 3. As used in this act:

28 "Commission" means the New Jersey Health Data Commission
29 established pursuant to this act.

30 "Disclosure" means the disclosure of health data to a person or
31 entity outside the commission.

32 "Health data" means any information, except vital statistics as
33 defined in R.S.26:8-1, relating to the health status of people, the
34 availability of health care resources and services, or the use and cost
35 of these resources and services.

36 "Identifiable health data" means any item, collection or grouping of
37 health data which makes the person supplying it or described in it
38 identifiable.

39 "Research and statistical purposes" means the performance of
40 certain activities relating to health data, including, but not limited to:
41 describing the group characteristics of persons or entities; analyzing
42 the interrelationships among various characteristics of persons or

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 Assembly AHL committee amendments adopted May 1, 2000.

1 entities; the conduct of statistical procedures or studies to improve the
2 quality of health data; the design of sample surveys and the selection
3 of samples of persons or entities; the preparation and publication of
4 reports describing these activities; and other related functions; but
5 excluding the use of health data for a person or entity to make a
6 determination directly affecting the rights, benefits or entitlements of
7 that person or entity.

8
9 4. a. There is created a permanent commission to be known as the
10 "New Jersey Health Data Commission." The commission shall consist
11 of 32 members as follows: the Commissioners of Health and Senior
12 Services, Human Services, Banking and Insurance, Labor, Community
13 Affairs and Personnel and the State Treasurer, or their designees, as
14 ex officio members; two members each from the Senate and General
15 Assembly to be appointed by the President of the Senate and the
16 Speaker of the General Assembly, respectively, who in each case shall
17 be members of different political parties; and 21 public members who
18 shall be appointed by the Governor as follows: one person upon the
19 recommendation of the New Jersey Health Care Payers Coalition; one
20 person upon the recommendation of the New Jersey Health Care
21 Quality Institute; one person upon the recommendation of the New
22 Jersey Business and Industry Association; one person upon the
23 recommendation of the New Jersey AFL-CIO; one person upon the
24 recommendation of the Medical Society of New Jersey; one person
25 upon the recommendation of the New Jersey Hospital Association; one
26 person upon the recommendation of the New Jersey Association of
27 Health Care Facilities, one person upon the recommendation of the
28 New Jersey State Nurses Association; one person upon the
29 recommendation of the New Jersey Dental Association; one person
30 upon the recommendation of the Home Health Assembly of New
31 Jersey, Inc.; one person upon the recommendation of the Mental
32 Health Association in New Jersey; one person upon the
33 recommendation of the New Jersey Pharmacists Association; one
34 person upon the recommendation of the New Jersey Health Officers
35 Association; one person upon the recommendation of Horizon Blue
36 Cross Blue Shield of New Jersey; one person upon the
37 recommendation of the Health Insurance Association of America; one
38 person upon the recommendation of the New Jersey Association of
39 Health Plans; one person upon the recommendation of a domestic
40 stock health insurance carrier based in New Jersey; one person who
41 represents teaching and research hospitals, upon the joint
42 recommendation of the University of Medicine and Dentistry of New
43 Jersey, the University Health System of New Jersey, Robert Wood
44 Johnson University Hospital and Cooper Hospital/University Medical
45 Center; and three other public members who are consumers of health
46 care services and are not represented by any of the other categories of

1 public members included on the commission, one of whom shall be
2 enrolled as a beneficiary of the Medicare program established pursuant
3 to the federal Social Security Act, Pub.L.89-97 (42 U.S.C. s.1395 et
4 seq.).

5 b. All appointments to the commission shall be made no later than
6 the 90th day after the effective date of this act. The commission shall
7 organize upon the appointment of a majority of its authorized
8 membership.

9 c. Appointed members of the commission shall serve for three-year
10 terms, except that of the public members first appointed, five shall be
11 appointed for terms of one year, eight for terms of two years and eight
12 for terms of three years.

13 d. Each member shall hold office for the term of appointment and
14 until a successor is appointed and qualified. All vacancies shall be
15 filled in the same manner as the original appointment. Members
16 appointed to fill a vacancy occurring for any reason other than the
17 expiration of the term shall serve for the unexpired term only. An
18 appointed member of the commission shall be eligible for
19 reappointment. An appointed member may be removed for cause.

20 e. Appointed members shall serve without compensation, but shall
21 be reimbursed for necessary expenses incurred in the performance of
22 their duties.

23 f. The commission shall select a chairman from among the public
24 members, who shall serve a one-year term but may serve consecutive
25 terms. The commission shall adopt by-laws. The commission shall
26 meet at least quarterly and may meet at other times at the call of the
27 chairman. The commission shall in all respects comply with the
28 provisions of the "Open Public Meetings Act," P.L.1975, c.231
29 (C.10:4-6 et seq.). No motion to take any action by the commission
30 shall be valid except upon the affirmative vote of a majority of the
31 quorum required to conduct business.

32 g. The commission shall appoint a full-time executive director, who
33 shall serve as secretary to the commission. The executive director shall
34 serve at the pleasure of the commission and shall be qualified by
35 training and experience to perform the duties of the position. The
36 executive director shall be in the unclassified service of the Civil
37 Service and may hire properly qualified employees, within the limits of
38 funds appropriated or otherwise made available to the commission,
39 who shall also be employed in the unclassified service of the Civil
40 Service; except that employees performing stenographic or clerical
41 duties shall be in the career service and appointed pursuant to Title
42 11A of the New Jersey Statutes.

43

44 5. a. The commission may:

45 (1) collect and maintain health data from State government agencies
46 or other entities on:

- 1 (a) the extent, nature and impact of illness and disability on the
2 population of the State;
- 3 (b) the determinants of health and health hazards;
- 4 (c) health resources, including the extent of available personnel and
5 resources;
- 6 (d) utilization of health care;
- 7 (e) health care costs and financing; and
- 8 (f) other health-related matters;
- 9 (2) undertake and support research, demonstrations and evaluations
10 concerning new or improved methods for obtaining current data with
11 respect to any of the health data described in paragraph (1) of this
12 subsection; and
- 13 (3) promote standards for health data that will facilitate the
14 comparison of information and ease the burden of data preparation and
15 reporting.
- 16 b. The commission may collect health data on behalf of other
17 entities.
- 18 c. The commission shall collect health data only on a voluntary
19 basis from persons and entities, except to the extent that specific
20 statutory authority exists to compel the reporting of such data. When
21 requesting health data from a person or entity, the agency shall notify
22 the person or entity in writing as to the following:
- 23 (1) whether the person or entity is required to supply the health
24 data and any sanctions which may be imposed for noncompliance;
- 25 (2) the purposes for which the health data is being collected; and
- 26 (3) if the commission intends to disclose identifiable health data for
27 other than research and statistical purposes, the information to be
28 disclosed, to whom it is to be disclosed, and for what purposes.
- 29 d. ¹[Except as provided in section 6 of this act, no] No¹ health
30 data obtained by the commission may be used for any purpose other
31 than the purpose for which they were supplied or for which the person
32 or entity described in the data has otherwise consented.
- 33 e. The commission shall:
- 34 (1) take such actions as may be necessary to assure that the health
35 data which it obtains and maintains are accurate, timely and
36 comprehensive, as well as specific, standardized and adequately
37 analyzed and indexed; and
- 38 (2) publish, disseminate and otherwise make available these data on
39 as wide a basis as practicable.
- 40 f. The commission shall take such actions as are appropriate to
41 effect the collection and compilation of health data produced within
42 the State and to maximize the usefulness of the data collected.
- 43 g. The commission shall:
- 44 (1) participate with federal, State and local government agencies in
45 the design and implementation of a cooperative system of producing
46 comparable and uniform health data at the federal, State and local

1 levels;

2 (2) undertake and support research, development, demonstrations
3 and evaluations concerning such a cooperative system; and

4 (3) assume its fair share of the data costs associated with
5 implementing and maintaining such a system.

6

7 6. a. The commission shall make no disclosure of any health data
8 which identifies a person's health status or utilization of health care
9 unless¹[:

10 (1)]¹ the person described in the data has consented to the
11 disclosure¹[: or

12 (2) the disclosure is to a federal government agency or a state
13 government agency in this or another state, except that:

14 (a) the data shall be used for a purpose for which the data was
15 collected by the commission; and

16 (b) the recipient of the data shall enter into a written agreement
17 with the commission that it will protect the data in accordance with the
18 requirements of this act and will not permit further disclosure without
19 the prior approval of the commission; or

20 (3) the disclosure is to a person or entity, for a specified period of
21 time determined by the commission, solely for bona fide research and
22 statistical purposes, as determined in accordance with guidelines
23 adopted by the commission, when:

24 (a) the commission determines that the disclosure of the data to the
25 requesting person or entity is required for the research and statistical
26 purposes proposed; and

27 (b) the requesting person or entity has entered into a written
28 agreement with the commission that it will protect the data in
29 accordance with the requirements of this act and will not permit
30 further disclosure without the prior approval of the commission;
31 except that the name, address or other unique personal identifier of a
32 person supplying the data or identified in it shall not be disclosed to
33 the requesting person or entity]¹.

34 b. ¹[Any disclosure provided for in this section shall be made at
35 the discretion of the commission] A person or entity to whom the
36 commission has disclosed health data shall make no disclosure of any
37 health data which identifies a person's health status or utilization of
38 health care unless the person described in the data has consented to the
39 disclosure¹.

40 c. No identifiable health data obtained by the commission shall be
41 subject to subpoena or similar compulsory process in a civil or
42 criminal, judicial, administrative or legislative proceeding, nor shall a
43 person or entity with lawful access to identifiable health data pursuant
44 to this act be compelled to testify with regard to that data; except that
45 data pertaining to a party in litigation may be subject to subpoena or
46 similar compulsory process in an action brought by or on behalf of that

1 party to enforce a liability arising under this act.

2

3 7. The commission shall take appropriate measures to protect the
4 security of health data which it obtains, including:

5 a. limiting access to the data to authorized persons;

6 b. designating a person to be responsible for the physical security
7 of the data;

8 c. developing and implementing a system for monitoring the
9 security of the data;

10 d. periodically reviewing all health data to evaluate whether it is
11 appropriate to remove identifying characteristics from the data; and

12 e. developing a program for the routine scheduled destruction of
13 all forms, records or electronic files maintained by the commission
14 which contain identifiable health data.

15

16 8. In addition to any other powers authorized by law, the
17 commission shall have the authority, in accordance with State law, to:

18 a. make and enter into contracts to purchase services and supplies
19 and to hire consultants;

20 b. develop and submit a proposed budget;

21 c. accept gifts and charitable contributions;

22 d. apply for, receive and expend grants;

23 e. adopt regulations, pursuant to the "Administrative Procedure
24 Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to effectuate the purposes
25 of this act;

26 f. establish charges for and collect payment from persons and
27 entities for the provision of services, including the dissemination of
28 health data;

29 g. receive and expend appropriations;

30 h. enter into a reimbursable work program with other State
31 government agencies or private entities under which funds are
32 transferred from the other agencies or entities to the commission for
33 the performance of activities pursuant to this act; and

34 i. provide such other services and perform such other functions as
35 the commission deems necessary to fulfill its responsibilities under this
36 act.

37

38 9. a. A person or entity whom the commission determines has
39 violated ¹[any of]¹ the provisions of section 6 of this act regarding
40 the disclosure of health data shall be subject, in addition to any other
41 penalties that may be prescribed by law, to: a civil penalty of not more
42 than \$10,000 for each such violation, but not to exceed \$50,000 in the
43 aggregate for multiple violations; or a civil penalty of not more than
44 \$250,000, if the commission finds that these violations have occurred
45 with such frequency as to constitute a general business practice.

46 The penalty shall be sued for and collected in the name of the

1 commission in a summary proceeding in accordance with the "Penalty
2 Enforcement Law of 1999," C.2A:58-10 et seq.

3 b. The commission or an entity acting on its behalf shall be liable
4 to a person or entity injured by the intentional or negligent violation
5 of ¹[any provision] the provisions¹ of section 6 of this act in an
6 amount equal to the damages sustained by the person or entity,
7 together with the cost of the action and reasonable attorney's fees, as
8 determined by the court.

9

10 10. There is appropriated \$94,000 from the General Fund to the
11 New Jersey Health Data Commission to carry out the provisions of
12 this act.

13

14 11. This act shall take effect immediately.

FISCAL NOTE
[First Reprint]
ASSEMBLY, No. 314
STATE OF NEW JERSEY
209th LEGISLATURE

DATED: OCTOBER 24, 2000

SUMMARY

Synopsis: "Health Data Commission Act;" appropriates \$94,000.
Type of Impact: Potential increase in State expenditures.
Agencies Affected: Department of Health and Senior Services and all State and local government agencies that collect various types of health data.

Executive Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
State Cost	\$1,200,000	\$1,200,000	\$1,200,000

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
State Cost	Commission costs each year will depend upon how narrowly or broadly its mission is defined.		

BILL DESCRIPTION

Assembly Bill No. 314 (1R) of 2000 establishes a permanent commission to be known as the "New Jersey Health Data Commission" consisting of 32 members from various public agencies, private organizations that are involved in health care matters and three health care consumers, one of whom is a Medicare enrollee.

The commission is provided with various duties and responsibilities such: collecting and maintaining health data from State government agencies and other entities; undertaking and supporting research, demonstrations and evaluations concerning new or improved methods for obtaining current health data; and promoting standards for health data that will facilitate the comparison of information and ease the burden of data preparation and reporting.

The commission would take such necessary actions to assure that the health data it obtains and maintains are accurate, timely and comprehensive, as well as specific, standardized and adequately analyzed and indexed; and the commission would publish, disseminate and otherwise make available these data on as wide a basis as practicable. Finally, the commission would take appropriate measures to protect the security of health data it obtains and seek financial penalties for the unauthorized disclosure of health data..

Assembly Bill No. 314 (1R) appropriates \$94,000 from the General Fund to implement the legislation.

FISCAL ANALYSIS

EXECUTIVE BRANCH

DHSS and the Office of Management and Budget (OMB) have estimated the annual cost of the legislation at \$1,200,000.

The Executive states that the Commission costs should be comparable to what it takes to operate the Center for Health Statistics, or \$1.3 million annually. With the appropriation there would be a net additional cost of \$1.2 million per year for several years, however that could vary since the mission of the Commission is not totally clear based on the language of the bill.

OFFICE OF LEGISLATIVE SERVICES

The adequacy of the \$94,000 appropriation cannot be determined until the commission submits a proposed budget pursuant to section 8.b. of the legislation.

If the commission avails itself of the significant amounts of health data currently being collected, compiled and analyzed by State and local agencies and does not require significant new analysis to be initiated, the \$94,000 should be sufficient to employ a full-time executive director and clerical support.

If, however, the commission requires new data to be collected, additional reporting forms to be completed and additional analysis of existing and new data, State and local agencies are likely to incur additional costs and the commission might require additional funds. It is not known how much additional costs State and local agencies would incur to collect such additional data; similarly, how much additional funds the commission might require would not be known until the commission submits a proposed budget.

Section: *Human Services*

Analyst: *Jay Hershberg*
Principal Fiscal Analyst

Approved: *Alan R. Kooney*
Legislative Budget and Finance Officer

This fiscal note has been prepared pursuant to P.L.1980, c.67.

SENATE HEALTH COMMITTEE

STATEMENT TO

[First Reprint]

ASSEMBLY, No. 314

with committee amendments

STATE OF NEW JERSEY

DATED: JANUARY 22, 2001

The Senate Health Committee reports favorably and with committee amendments Assembly Bill No. 314 (1R).

As amended by committee, this bill establishes a permanent commission to be known as the "New Jersey Health Data Commission."

The commission shall consist of 33 members as follows: the Commissioners of Health and Senior Services, Human Services, Banking and Insurance, Labor, Community Affairs and Personnel and the State Treasurer, or their designees; two members each from the Senate and General Assembly, who in each case shall be members of different political parties; and 22 public members appointed by the Governor, including a representative from each of the following: the New Jersey Health Care Payers Coalition, the New Jersey Health Care Quality Institute, the New Jersey Business and Industry Association, the New Jersey AFL-CIO, the Medical Society of New Jersey, the New Jersey Association of Osteopathic Physicians and Surgeons, the New Jersey Hospital Association, the New Jersey Association of Health Care Facilities, the New Jersey State Nurses Association, the New Jersey Dental Association, the Home Health Assembly of New Jersey, Inc., the Mental Health Association in New Jersey, the New Jersey Pharmacists Association, the New Jersey Health Officers Association, Horizon Blue Cross Blue Shield of New Jersey, the Health Insurance Association of America, the New Jersey Association of Health Plans, a domestic stock health insurance carrier based in New Jersey, and teaching and research hospitals. Also, three public members shall be health care consumers, one of whom is a Medicare enrollee.

The bill provides that the commission may:

(1) collect and maintain health data from State government agencies or other entities on:

(a) the extent, nature and impact of illness and disability on the population of the State;

(b) the determinants of health and health hazards;

(c) health resources, including the extent of available manpower and resources;

(d) utilization of health care;

(e) health care costs and financing; and

(f) other health-related matters;

(2) undertake and support research, demonstrations and evaluations concerning new or improved methods for obtaining current health data; and

(3) promote standards for health data that will facilitate the comparison of information and ease the burden of data preparation and reporting.

The commission shall collect health data only on a voluntary basis from persons and entities, except to the extent that specific statutory authority exists to compel the reporting of such data. No health data obtained by the commission may be used for any purpose other than the purpose for which they were supplied or for which the person or entity described in the data has otherwise consented.

The commission shall:

(1) take such actions as may be necessary to assure that the health data which it obtains and maintains are accurate, timely and comprehensive, as well as specific, standardized and adequately analyzed and indexed; and

(2) publish, disseminate and otherwise make available these data on as wide a basis as practicable.

The commission shall make no disclosure of any health data which identifies a person's health status or utilization of health care unless the person described in the data has consented to the disclosure. The same restriction applies to a person or entity to whom the commission has disclosed health data.

No identifiable health data obtained by the commission shall be subject to subpoena or similar compulsory process in a civil or criminal, judicial, administrative or legislative proceeding, nor shall a person or entity with lawful access to identifiable health data pursuant to this bill be compelled to testify with regard to that data; except that data pertaining to a party in litigation may be subject to subpoena or similar compulsory process in an action brought by or on behalf of that party to enforce a liability arising under this bill.

The commission shall take appropriate measures to protect the security of health data which it obtains, including:

(1) limiting access to the data to authorized persons who have received training in handling the data;

(2) designating a person to be responsible for the physical security of the data;

(3) developing and implementing a system for monitoring the security of the data;

(4) periodically reviewing all health data to evaluate whether it is appropriate to remove identifying characteristics from the data; and

(5) developing a program for the routine scheduled destruction of all forms, records or electronic files maintained by the commission which contain identifiable health data.

The commission shall adopt regulations, pursuant to the "Administrative Procedure Act," N.J.S.A.52:14B-1 et seq., to effectuate the purposes of this bill, and shall appoint an executive director who may hire staff within the limits of available funds. A \$94,000 appropriation to the commission is provided in the bill.

The committee amended the bill to add a representative of the New Jersey Association of Osteopathic Physicians and Surgeons to the commission and to specify in the definition of "health data" that the term shall not include information that is created or received by members of the clergy or others who use spiritual means alone for healing.

This bill is identical to Senate Bill No. 374 SCA (Sinagra/Adler), which the committee also reported favorably on this date.

[Second Reprint]

ASSEMBLY, No. 314

STATE OF NEW JERSEY
209th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2000 SESSION

Sponsored by:

Assemblywoman CHARLOTTE VANDERVALK

District 39 (Bergen)

Assemblyman NEIL M. COHEN

District 20 (Union)

Co-Sponsored by:

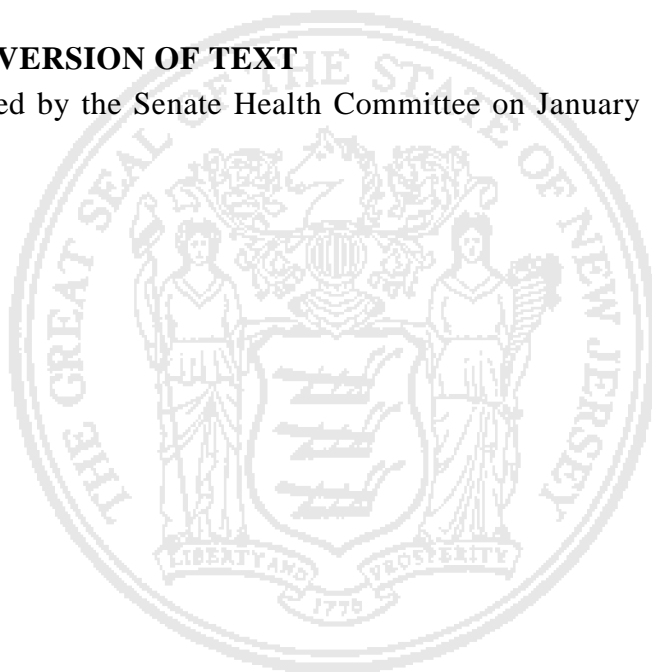
Assemblyman Thompson, Senators Sinagra and Adler

SYNOPSIS

"Health Data Commission Act;" appropriates \$94,000.

CURRENT VERSION OF TEXT

As reported by the Senate Health Committee on January 22, 2001, with amendments.



(Sponsorship Updated As Of: 5/15/2001)

1 AN ACT establishing the New Jersey Health Data Commission,
2 supplementing Title 52 of the Revised Statutes and making an
3 appropriation.

4

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

7

8 1. This act shall be known and may be cited as the "Health Data
9 Commission Act."

10

11 2. The Legislature finds and declares that:

12 a. It is the intention of the Legislature to establish a single point of
13 contact for members of the public to obtain health data through the
14 creation of the New Jersey Health Data Commission;

15 b. The purpose of this commission is to compile health care access,
16 quality and cost data produced within the State from public and
17 private entities and maximize the usefulness of the data for the public
18 without duplicating existing data collection efforts by State agencies;
19 and

20 c. It is anticipated that the expense to the State of compiling and
21 disseminating the available and useful health data for the benefit of the
22 public will be minimal and will be partially offset by subscriptions to
23 routinely published commission documents, the purchase of special
24 commission reports, and the receipt of grants to provide health data
25 information to the public.

26

27 3. As used in this act:

28 "Commission" means the New Jersey Health Data Commission
29 established pursuant to this act.

30 "Disclosure" means the disclosure of health data to a person or
31 entity outside the commission.

32 "Health data" means any information, except vital statistics as
33 defined in R.S.26:8-1, relating to the health status of people, the
34 availability of health care resources and services, or the use and cost
35 of these resources and services. ²Health data shall not include
36 information that is created or received by members of the clergy or
37 others who use spiritual means alone for healing.²

38 "Identifiable health data" means any item, collection or grouping of
39 health data which makes the person supplying it or described in it
40 identifiable.

41 "Research and statistical purposes" means the performance of

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 Assembly AHL committee amendments adopted May 1, 2000.

² Senate SHH committee amendments adopted January 22, 2001.

1 certain activities relating to health data, including, but not limited to:
2 describing the group characteristics of persons or entities; analyzing
3 the interrelationships among various characteristics of persons or
4 entities; the conduct of statistical procedures or studies to improve the
5 quality of health data; the design of sample surveys and the selection
6 of samples of persons or entities; the preparation and publication of
7 reports describing these activities; and other related functions; but
8 excluding the use of health data for a person or entity to make a
9 determination directly affecting the rights, benefits or entitlements of
10 that person or entity.

11

12 4. a. There is created a permanent commission to be known as the
13 "New Jersey Health Data Commission." The commission shall consist
14 of ²[32] 33² members as follows: the Commissioners of Health and
15 Senior Services, Human Services, Banking and Insurance, Labor,
16 Community Affairs and Personnel and the State Treasurer, or their
17 designees, as ex officio members; two members each from the Senate
18 and General Assembly to be appointed by the President of the Senate
19 and the Speaker of the General Assembly, respectively, who in each
20 case shall be members of different political parties; and ²[21] 22²
21 public members who shall be appointed by the Governor as follows:
22 one person upon the recommendation of the New Jersey Health Care
23 Payers Coalition; one person upon the recommendation of the New
24 Jersey Health Care Quality Institute; one person upon the
25 recommendation of the New Jersey Business and Industry Association;
26 one person upon the recommendation of the New Jersey AFL-CIO;
27 one person upon the recommendation of the Medical Society of New
28 Jersey; ²one person upon the recommendation of the New Jersey
29 Association of Osteopathic Physicians and Surgeons;² one person
30 upon the recommendation of the New Jersey Hospital Association; one
31 person upon the recommendation of the New Jersey Association of
32 Health Care Facilities, one person upon the recommendation of the
33 New Jersey State Nurses Association; one person upon the
34 recommendation of the New Jersey Dental Association; one person
35 upon the recommendation of the Home Health Assembly of New
36 Jersey, Inc.; one person upon the recommendation of the Mental
37 Health Association in New Jersey; one person upon the
38 recommendation of the New Jersey Pharmacists Association; one
39 person upon the recommendation of the New Jersey Health Officers
40 Association; one person upon the recommendation of Horizon Blue
41 Cross Blue Shield of New Jersey; one person upon the
42 recommendation of the Health Insurance Association of America; one
43 person upon the recommendation of the New Jersey Association of
44 Health Plans; one person upon the recommendation of a domestic
45 stock health insurance carrier based in New Jersey; one person who
46 represents teaching and research hospitals, upon the joint

1 recommendation of the University of Medicine and Dentistry of New
2 Jersey, the University Health System of New Jersey, Robert Wood
3 Johnson University Hospital and Cooper Hospital/University Medical
4 Center; and three other public members who are consumers of health
5 care services and are not represented by any of the other categories of
6 public members included on the commission, one of whom shall be
7 enrolled as a beneficiary of the Medicare program established pursuant
8 to the federal Social Security Act, Pub.L.89-97 (42 U.S.C. s.1395 et
9 seq.).

10 b. All appointments to the commission shall be made no later than
11 the 90th day after the effective date of this act. The commission shall
12 organize upon the appointment of a majority of its authorized
13 membership.

14 c. Appointed members of the commission shall serve for three-year
15 terms, except that of the public members first appointed, ²[five] ~~six~~²
16 shall be appointed for terms of one year, eight for terms of two years
17 and eight for terms of three years.

18 d. Each member shall hold office for the term of appointment and
19 until a successor is appointed and qualified. All vacancies shall be
20 filled in the same manner as the original appointment. Members
21 appointed to fill a vacancy occurring for any reason other than the
22 expiration of the term shall serve for the unexpired term only. An
23 appointed member of the commission shall be eligible for
24 reappointment. An appointed member may be removed for cause.

25 e. Appointed members shall serve without compensation, but shall
26 be reimbursed for necessary expenses incurred in the performance of
27 their duties.

28 f. The commission shall select a chairman from among the public
29 members, who shall serve a one-year term but may serve consecutive
30 terms. The commission shall adopt by-laws. The commission shall
31 meet at least quarterly and may meet at other times at the call of the
32 chairman. The commission shall in all respects comply with the
33 provisions of the "Open Public Meetings Act," P.L.1975, c.231
34 (C.10:4-6 et seq.). No motion to take any action by the commission
35 shall be valid except upon the affirmative vote of a majority of the
36 quorum required to conduct business.

37 g. The commission shall appoint a full-time executive director, who
38 shall serve as secretary to the commission. The executive director shall
39 serve at the pleasure of the commission and shall be qualified by
40 training and experience to perform the duties of the position. The
41 executive director shall be in the unclassified service of the Civil
42 Service and may hire properly qualified employees, within the limits of
43 funds appropriated or otherwise made available to the commission,
44 who shall also be employed in the unclassified service of the Civil
45 Service; except that employees performing stenographic or clerical
46 duties shall be in the career service and appointed pursuant to Title
47 11A of the New Jersey Statutes.

- 1 5. a. The commission may:
- 2 (1) collect and maintain health data from State government
- 3 agencies or other entities on:
- 4 (a) the extent, nature and impact of illness and disability on the
- 5 population of the State;
- 6 (b) the determinants of health and health hazards;
- 7 (c) health resources, including the extent of available personnel and
- 8 resources;
- 9 (d) utilization of health care;
- 10 (e) health care costs and financing; and
- 11 (f) other health-related matters;
- 12 (2) undertake and support research, demonstrations and
- 13 evaluations concerning new or improved methods for obtaining current
- 14 data with respect to any of the health data described in paragraph (1)
- 15 of this subsection; and
- 16 (3) promote standards for health data that will facilitate the
- 17 comparison of information and ease the burden of data preparation and
- 18 reporting.
- 19 b. The commission may collect health data on behalf of other
- 20 entities.
- 21 c. The commission shall collect health data only on a voluntary
- 22 basis from persons and entities, except to the extent that specific
- 23 statutory authority exists to compel the reporting of such data. When
- 24 requesting health data from a person or entity, the agency shall notify
- 25 the person or entity in writing as to the following:
- 26 (1) whether the person or entity is required to supply the health
- 27 data and any sanctions which may be imposed for noncompliance;
- 28 (2) the purposes for which the health data is being collected; and
- 29 (3) if the commission intends to disclose identifiable health data for
- 30 other than research and statistical purposes, the information to be
- 31 disclosed, to whom it is to be disclosed, and for what purposes.
- 32 d. ¹[Except as provided in section 6 of this act, no] No¹ health
- 33 data obtained by the commission may be used for any purpose other
- 34 than the purpose for which they were supplied or for which the person
- 35 or entity described in the data has otherwise consented.
- 36 e. The commission shall:
- 37 (1) take such actions as may be necessary to assure that the health
- 38 data which it obtains and maintains are accurate, timely and
- 39 comprehensive, as well as specific, standardized and adequately
- 40 analyzed and indexed; and
- 41 (2) publish, disseminate and otherwise make available these data
- 42 on as wide a basis as practicable.
- 43 f. The commission shall take such actions as are appropriate to
- 44 effect the collection and compilation of health data produced within
- 45 the State and to maximize the usefulness of the data collected.
- 46 g. The commission shall:

1 (1) participate with federal, State and local government agencies
2 in the design and implementation of a cooperative system of producing
3 comparable and uniform health data at the federal, State and local
4 levels;

5 (2) undertake and support research, development, demonstrations
6 and evaluations concerning such a cooperative system; and

7 (3) assume its fair share of the data costs associated with
8 implementing and maintaining such a system.

9
10 6. a. The commission shall make no disclosure of any health data
11 which identifies a person's health status or utilization of health care
12 unless¹[:

13 (1)]¹ the person described in the data has consented to the
14 disclosure¹[: or

15 (2) the disclosure is to a federal government agency or a state
16 government agency in this or another state, except that:

17 (a) the data shall be used for a purpose for which the data was
18 collected by the commission; and

19 (b) the recipient of the data shall enter into a written agreement
20 with the commission that it will protect the data in accordance with the
21 requirements of this act and will not permit further disclosure without
22 the prior approval of the commission; or

23 (3) the disclosure is to a person or entity, for a specified period of
24 time determined by the commission, solely for bona fide research and
25 statistical purposes, as determined in accordance with guidelines
26 adopted by the commission, when:

27 (a) the commission determines that the disclosure of the data to the
28 requesting person or entity is required for the research and statistical
29 purposes proposed; and

30 (b) the requesting person or entity has entered into a written
31 agreement with the commission that it will protect the data in
32 accordance with the requirements of this act and will not permit
33 further disclosure without the prior approval of the commission;
34 except that the name, address or other unique personal identifier of a
35 person supplying the data or identified in it shall not be disclosed to
36 the requesting person or entity]¹.

37 b. ¹[Any disclosure provided for in this section shall be made at
38 the discretion of the commission] A person or entity to whom the
39 commission has disclosed health data shall make no disclosure of any
40 health data which identifies a person's health status or utilization of
41 health care unless the person described in the data has consented to the
42 disclosure¹.

43 c. No identifiable health data obtained by the commission shall be
44 subject to subpoena or similar compulsory process in a civil or
45 criminal, judicial, administrative or legislative proceeding, nor shall a
46 person or entity with lawful access to identifiable health data pursuant

1 to this act be compelled to testify with regard to that data; except that
2 data pertaining to a party in litigation may be subject to subpoena or
3 similar compulsory process in an action brought by or on behalf of that
4 party to enforce a liability arising under this act.

5
6 7. The commission shall take appropriate measures to protect the
7 security of health data which it obtains, including:

- 8 a. limiting access to the data to authorized persons;
9 b. designating a person to be responsible for the physical security
10 of the data;
11 c. developing and implementing a system for monitoring the
12 security of the data;
13 d. periodically reviewing all health data to evaluate whether it is
14 appropriate to remove identifying characteristics from the data; and
15 e. developing a program for the routine scheduled destruction of
16 all forms, records or electronic files maintained by the commission
17 which contain identifiable health data.

18
19 8. In addition to any other powers authorized by law, the
20 commission shall have the authority, in accordance with State law, to:

- 21 a. make and enter into contracts to purchase services and supplies
22 and to hire consultants;
23 b. develop and submit a proposed budget;
24 c. accept gifts and charitable contributions;
25 d. apply for, receive and expend grants;
26 e. adopt regulations, pursuant to the "Administrative Procedure
27 Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to effectuate the purposes
28 of this act;
29 f. establish charges for and collect payment from persons and
30 entities for the provision of services, including the dissemination of
31 health data;
32 g. receive and expend appropriations;
33 h. enter into a reimbursable work program with other State
34 government agencies or private entities under which funds are
35 transferred from the other agencies or entities to the commission for
36 the performance of activities pursuant to this act; and
37 i. provide such other services and perform such other functions as
38 the commission deems necessary to fulfill its responsibilities under this
39 act.

40
41 9. a. A person or entity whom the commission determines has
42 violated ¹[any of]¹ the provisions of section 6 of this act regarding
43 the disclosure of health data shall be subject, in addition to any other
44 penalties that may be prescribed by law, to: a civil penalty of not more
45 than \$10,000 for each such violation, but not to exceed \$50,000 in the
46 aggregate for multiple violations; or a civil penalty of not more than

1 \$250,000, if the commission finds that these violations have occurred
2 with such frequency as to constitute a general business practice.

3 The penalty shall be sued for and collected in the name of the
4 commission in a summary proceeding in accordance with the "Penalty
5 Enforcement Law of 1999," ²[C.2A:58-10 et seq.] P.L.1999, c.274
6 (C.2A:58-10 et seq.)²

7 b. The commission or an entity acting on its behalf shall be liable
8 to a person or entity injured by the intentional or negligent violation
9 of ¹[any provision] the provisions¹ of section 6 of this act in an
10 amount equal to the damages sustained by the person or entity,
11 together with the cost of the action and reasonable attorney's fees, as
12 determined by the court.

13

14 10. There is appropriated \$94,000 from the General Fund to the
15 New Jersey Health Data Commission to carry out the provisions of
16 this act.

17

18 11. This act shall take effect immediately.

SENATE, No. 374

STATE OF NEW JERSEY
209th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2000 SESSION

Sponsored by:

Senator JACK SINAGRA

District 18 (Middlesex)

Senator JOHN H. ADLER

District 6 (Camden)

SYNOPSIS

“Health Data Commission Act;” appropriates \$94,000.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 AN ACT establishing the New Jersey Health Data Commission,
2 supplementing Title 52 of the Revised Statutes and making an
3 appropriation.

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

7
8 1. This act shall be known and may be cited as the "Health Data
9 Commission Act."

10
11 2. The Legislature finds and declares that:

12 a. It is the intention of the Legislature to establish a single point of
13 contact for members of the public to obtain health data through the
14 creation of the New Jersey Health Data Commission;

15 b. The purpose of this commission is to compile health care access,
16 quality and cost data produced within the State from public and
17 private entities and maximize the usefulness of the data for the public
18 without duplicating existing data collection efforts by State agencies;
19 and

20 c. It is anticipated that the expense to the State of compiling and
21 disseminating the available and useful health data for the benefit of the
22 public will be minimal and will be partially offset by subscriptions to
23 routinely published commission documents, the purchase of special
24 commission reports, and the receipt of grants to provide health data
25 information to the public.

26
27 3. As used in this act:

28 "Commission" means the New Jersey Health Data Commission
29 established pursuant to this act.

30 "Disclosure" means the disclosure of health data to a person or
31 entity outside the commission.

32 "Health data" means any information, except vital statistics as
33 defined in R.S.26:8-1, relating to the health status of people, the
34 availability of health care resources and services, or the use and cost
35 of these resources and services.

36 "Identifiable health data" means any item, collection or grouping of
37 health data which makes the person supplying it or described in it
38 identifiable.

39 "Research and statistical purposes" means the performance of
40 certain activities relating to health data, including, but not limited to:
41 describing the group characteristics of persons or entities; analyzing
42 the interrelationships among various characteristics of persons or
43 entities; the conduct of statistical procedures or studies to improve the
44 quality of health data; the design of sample surveys and the selection
45 of samples of persons or entities; the preparation and publication of
46 reports describing these activities; and other related functions; but

1 excluding the use of health data for a person or entity to make a
2 determination directly affecting the rights, benefits or entitlements of
3 that person or entity.

4
5 4. a. There is created a permanent commission to be known as the
6 "New Jersey Health Data Commission." The commission shall consist
7 of 32 members as follows: the Commissioners of Health and Senior
8 Services, Human Services, Banking and Insurance, Labor, Community
9 Affairs and Personnel and the State Treasurer, or their designees, as
10 ex officio members; two members each from the Senate and General
11 Assembly to be appointed by the President of the Senate and the
12 Speaker of the General Assembly, respectively, who in each case shall
13 be members of different political parties; and 21 public members who
14 shall be appointed by the Governor as follows: one person upon the
15 recommendation of the New Jersey Health Care Payers Coalition; one
16 person upon the recommendation of the New Jersey Health Care
17 Quality Institute; one person upon the recommendation of the New
18 Jersey Business and Industry Association; one person upon the
19 recommendation of the New Jersey AFL-CIO; one person upon the
20 recommendation of the Medical Society of New Jersey; one person
21 upon the recommendation of the New Jersey Hospital Association; one
22 person upon the recommendation of the New Jersey Association of
23 Health Care Facilities, one person upon the recommendation of the
24 New Jersey State Nurses Association; one person upon the
25 recommendation of the New Jersey Dental Association; one person
26 upon the recommendation of the Home Health Assembly of New
27 Jersey, Inc.; one person upon the recommendation of the Mental
28 Health Association in New Jersey; one person upon the
29 recommendation of the New Jersey Pharmacists Association; one
30 person upon the recommendation of the New Jersey Health Officers
31 Association; one person upon the recommendation of Horizon Blue
32 Cross Blue Shield of New Jersey; one person upon the
33 recommendation of the Health Insurance Association of America; one
34 person upon the recommendation of the New Jersey Association of
35 Health Plans; one person upon the recommendation of a domestic
36 stock health insurance carrier based in New Jersey; one person who
37 represents teaching and research hospitals, upon the joint
38 recommendation of the University of Medicine and Dentistry of New
39 Jersey, the University Health System of New Jersey, Robert Wood
40 Johnson University Hospital and Cooper Hospital/University Medical
41 Center; and three other public members who are consumers of health
42 care services and are not represented by any of the other categories of
43 public members included on the commission, one of whom shall be
44 enrolled as a beneficiary of the Medicare program established pursuant
45 to the federal Social Security Act, Pub.L.89-97 (42 U.S.C. s.1395 et
46 seq.).

1 b. All appointments to the commission shall be made no later than
2 the 90th day after the effective date of this act. The commission shall
3 organize upon the appointment of a majority of its authorized
4 membership.

5 c. Appointed members of the commission shall serve for three-year
6 terms, except that of the public members first appointed, five shall be
7 appointed for terms of one year, eight for terms of two years and eight
8 for terms of three years.

9 d. Each member shall hold office for the term of appointment and
10 until a successor is appointed and qualified. All vacancies shall be
11 filled in the same manner as the original appointment. Members
12 appointed to fill a vacancy occurring for any reason other than the
13 expiration of the term shall serve for the unexpired term only. An
14 appointed member of the commission shall be eligible for
15 reappointment. An appointed member may be removed for cause.

16 e. Appointed members shall serve without compensation, but shall
17 be reimbursed for necessary expenses incurred in the performance of
18 their duties.

19 f. The commission shall select a chairman from among the public
20 members, who shall serve a one-year term but may serve consecutive
21 terms. The commission shall adopt by-laws. The commission shall
22 meet at least quarterly and may meet at other times at the call of the
23 chairman. The commission shall in all respects comply with the
24 provisions of the "Open Public Meetings Act," P.L.1975, c.231
25 (C.10:4-6 et seq.). No motion to take any action by the commission
26 shall be valid except upon the affirmative vote of a majority of the
27 quorum required to conduct business.

28 g. The commission shall appoint a full-time executive director, who
29 shall serve as secretary to the commission. The executive director shall
30 serve at the pleasure of the commission and shall be qualified by
31 training and experience to perform the duties of the position. The
32 executive director shall be in the unclassified service of the Civil
33 Service and may hire properly qualified employees, within the limits of
34 funds appropriated or otherwise made available to the commission,
35 who shall also be employed in the unclassified service of the Civil
36 Service; except that employees performing stenographic or clerical
37 duties shall be in the career service and appointed pursuant to Title
38 11A of the New Jersey Statutes.

39
40 5. a. The commission may:

41 (1) collect and maintain health data from State government
42 agencies or other entities on:

43 (a) the extent, nature and impact of illness and disability on the
44 population of the State;

45 (b) the determinants of health and health hazards;

46 (c) health resources, including the extent of available personnel and

- 1 resources;
- 2 (d) utilization of health care;
- 3 (e) health care costs and financing; and
- 4 (f) other health-related matters;
- 5 (2) undertake and support research, demonstrations and
- 6 evaluations concerning new or improved methods for obtaining current
- 7 data with respect to any of the health data described in paragraph (1)
- 8 of this subsection; and
- 9 (3) promote standards for health data that will facilitate the
- 10 comparison of information and ease the burden of data preparation and
- 11 reporting.
- 12 b. The commission may collect health data on behalf of other
- 13 entities.
- 14 c. The commission shall collect health data only on a voluntary
- 15 basis from persons and entities, except to the extent that specific
- 16 statutory authority exists to compel the reporting of such data. When
- 17 requesting health data from a person or entity, the agency shall notify
- 18 the person or entity in writing as to the following:
- 19 (1) whether the person or entity is required to supply the health
- 20 data and any sanctions which may be imposed for noncompliance;
- 21 (2) the purposes for which the health data is being collected; and
- 22 (3) if the commission intends to disclose identifiable health data for
- 23 other than research and statistical purposes, the information to be
- 24 disclosed, to whom it is to be disclosed, and for what purposes.
- 25 d. Except as provided in section 6 of this act, no health data
- 26 obtained by the commission may be used for any purpose other than
- 27 the purpose for which they were supplied or for which the person or
- 28 entity described in the data has otherwise consented.
- 29 e. The commission shall:
- 30 (1) take such actions as may be necessary to assure that the health
- 31 data which it obtains and maintains are accurate, timely and
- 32 comprehensive, as well as specific, standardized and adequately
- 33 analyzed and indexed; and
- 34 (2) publish, disseminate and otherwise make available these data
- 35 on as wide a basis as practicable.
- 36 f. The commission shall take such actions as are appropriate to
- 37 effect the collection and compilation of health data produced within
- 38 the State and to maximize the usefulness of the data collected.
- 39 g. The commission shall:
- 40 (1) participate with federal, State and local government agencies
- 41 in the design and implementation of a cooperative system of producing
- 42 comparable and uniform health data at the federal, State and local
- 43 levels;
- 44 (2) undertake and support research, development, demonstrations
- 45 and evaluations concerning such a cooperative system; and

1 (3) assume its fair share of the data costs associated with
2 implementing and maintaining such a system.

3
4 6. a. The commission shall make no disclosure of any health data
5 which identifies a person's health status or utilization of health care
6 unless:

7 (1) the person described in the data has consented to the
8 disclosure; or

9 (2) the disclosure is to a federal government agency or a state
10 government agency in this or another state, except that:

11 (a) the data shall be used for a purpose for which the data was
12 collected by the commission; and

13 (b) the recipient of the data shall enter into a written agreement
14 with the commission that it will protect the data in accordance with the
15 requirements of this act and will not permit further disclosure without
16 the prior approval of the commission; or

17 (3) the disclosure is to a person or entity, for a specified period of
18 time determined by the commission, solely for bona fide research and
19 statistical purposes, as determined in accordance with guidelines
20 adopted by the commission, when:

21 (a) the commission determines that the disclosure of the data to the
22 requesting person or entity is required for the research and statistical
23 purposes proposed; and

24 (b) the requesting person or entity has entered into a written
25 agreement with the commission that it will protect the data in
26 accordance with the requirements of this act and will not permit
27 further disclosure without the prior approval of the commission;
28 except that the name, address or other unique personal identifier of a
29 person supplying the data or identified in it shall not be disclosed to
30 the requesting person or entity.

31 b. Any disclosure provided for in this section shall be made at the
32 discretion of the commission.

33 c. No identifiable health data obtained by the commission shall be
34 subject to subpoena or similar compulsory process in a civil or
35 criminal, judicial, administrative or legislative proceeding, nor shall a
36 person or entity with lawful access to identifiable health data pursuant
37 to this act be compelled to testify with regard to that data; except that
38 data pertaining to a party in litigation may be subject to subpoena or
39 similar compulsory process in an action brought by or on behalf of that
40 party to enforce a liability arising under this act.

41
42 7. The commission shall take appropriate measures to protect the
43 security of health data which it obtains, including:

44 a. limiting access to the data to authorized persons;

45 b. designating a person to be responsible for the physical security
46 of the data;

1 c. developing and implementing a system for monitoring the
2 security of the data;

3 d. periodically reviewing all health data to evaluate whether it is
4 appropriate to remove identifying characteristics from the data; and

5 e. developing a program for the routine scheduled destruction of
6 all forms, records or electronic files maintained by the commission
7 which contain identifiable health data.

8

9 8. In addition to any other powers authorized by law, the
10 commission shall have the authority, in accordance with State law, to:

11 a. make and enter into contracts to purchase services and supplies
12 and to hire consultants;

13 b. develop and submit a proposed budget;

14 c. accept gifts and charitable contributions;

15 d. apply for, receive and expend grants;

16 e. adopt regulations, pursuant to the "Administrative Procedure
17 Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to effectuate the purposes
18 of this act;

19 f. establish charges for and collect payment from persons and
20 entities for the provision of services, including the dissemination of
21 health data;

22 g. receive and expend appropriations;

23 h. enter into a reimbursable work program with other State
24 government agencies or private entities under which funds are
25 transferred from the other agencies or entities to the commission for
26 the performance of activities pursuant to this act; and

27 i. provide such other services and perform such other functions as
28 the commission deems necessary to fulfill its responsibilities under this
29 act.

30

31 9. a. A person or entity whom the commission determines has
32 violated any of the provisions of section 6 of this act regarding the
33 disclosure of health data shall be subject, in addition to any other
34 penalties that may be prescribed by law, to: a civil penalty of not more
35 than \$10,000 for each such violation, but not to exceed \$50,000 in the
36 aggregate for multiple violations; or a civil penalty of not more than
37 \$250,000, if the commission finds that these violations have occurred
38 with such frequency as to constitute a general business practice.

39 The penalty shall be sued for and collected in the name of the
40 commission in a summary proceeding in accordance with the "penalty
41 enforcement law," N.J.S.A.2A:58-1 et seq.

42 b. The commission or an entity acting on its behalf shall be liable
43 to a person or entity injured by the intentional or negligent violation
44 of any provision of section 6 of this act in an amount equal to the
45 damages sustained by the person or entity, together with the cost of
46 the action and reasonable attorney's fees, as determined by the court.

1 10. There is appropriated \$94,000 from the General Fund to the
2 New Jersey Health Data Commission to carry out the provisions of
3 this act.

4
5 11. This act shall take effect immediately.
6

7
8 STATEMENT
9

10 This bill establishes a permanent commission to be known as the
11 "New Jersey Health Data Commission."

12 The commission shall consist of 32 members as follows: the
13 Commissioners of Health and Senior Services, Human Services,
14 Banking and Insurance, Labor, Community Affairs and Personnel and
15 the State Treasurer, or their designees; two members each from the
16 Senate and General Assembly, who in each case shall be members of
17 different political parties; and 21 public members appointed by the
18 Governor, including a representative from each of the following: the
19 New Jersey Health Care Payers Coalition, the New Jersey Health Care
20 Quality Institute, the New Jersey Business and Industry Association,
21 the New Jersey AFL-CIO, the Medical Society of New Jersey, the
22 New Jersey Hospital Association, the New Jersey Association of
23 Health Care Facilities, the New Jersey State Nurses Association, the
24 New Jersey Dental Association, the Home Health Assembly of New
25 Jersey, Inc., the Mental Health Association in New Jersey, the New
26 Jersey Pharmacists Association, the New Jersey Health Officers
27 Association, Horizon Blue Cross Blue Shield of New Jersey, the
28 Health Insurance Association of America, the New Jersey Association
29 of Health Plans, a domestic stock health insurance carrier based in
30 New Jersey, and teaching and research hospitals; in addition to three
31 health care consumers, one of whom is a Medicare enrollee.

32 The bill provides that the commission may:

33 (1) collect and maintain health data from State government
34 agencies or other entities on:

35 (a) the extent, nature and impact of illness and disability on the
36 population of the State;

37 (b) the determinants of health and health hazards;

38 (c) health resources, including the extent of available manpower
39 and resources;

40 (d) utilization of health care;

41 (e) health care costs and financing; and

42 (f) other health-related matters;

43 (2) undertake and support research, demonstrations and
44 evaluations concerning new or improved methods for obtaining current
45 health data; and

46 (3) promote standards for health data that will facilitate the

1 comparison of information and ease the burden of data preparation and
2 reporting.

3 The commission shall collect health data only on a voluntary basis
4 from persons and entities, except to the extent that specific statutory
5 authority exists to compel the reporting of such data. Except as
6 specified in the bill, no health data obtained by the commission may be
7 used for any purpose other than the purpose for which they were
8 supplied or for which the person or entity described in the data has
9 otherwise consented.

10 The commission shall:

11 (1) take such actions as may be necessary to assure that the health
12 data which it obtains and maintains are accurate, timely and
13 comprehensive, as well as specific, standardized and adequately
14 analyzed and indexed; and

15 (2) publish, disseminate and otherwise make available these data
16 on as wide a basis as practicable.

17 The commission shall make no disclosure of any health data which
18 identifies a person's health status or utilization of health care unless:

19 (1) the person described in the data has consented to the
20 disclosure; or

21 (2) the disclosure is to a federal government agency or a state
22 government agency in this or another state, except that:

23 (a) the data shall be used for a purpose for which the data was
24 collected by the commission; and

25 (b) the recipient of the data shall enter into a written agreement
26 with the commission that it will protect the data in accordance with the
27 requirements of this bill and will not permit further disclosure without
28 the prior approval of the commission; or

29 (3) the disclosure is to a person or entity, for a specified period of
30 time determined by the commission, solely for bona fide research and
31 statistical purposes, as determined in accordance with guidelines
32 adopted by the commission, when:

33 (a) the commission determines that the disclosure of the data to the
34 requesting person or entity is required for the research and statistical
35 purposes proposed; and

36 (b) the requesting person or entity has entered into a written
37 agreement with the commission that it will protect the data in
38 accordance with the requirements of this bill and will not permit
39 further disclosure without the prior approval of the commission;
40 except that the name, address or other unique personal identifier of a
41 person supplying the data or identified in it shall not be disclosed to
42 the requesting person or entity.

43 Any disclosure provided for in this bill shall be made at the
44 discretion of the commission.

45 No identifiable health data obtained by the commission shall be
46 subject to subpoena or similar compulsory process in a civil or

1 criminal, judicial, administrative or legislative proceeding, nor shall a
2 person or entity with lawful access to identifiable health data pursuant
3 to this bill be compelled to testify with regard to that data; except that
4 data pertaining to a party in litigation may be subject to subpoena or
5 similar compulsory process in an action brought by or on behalf of that
6 party to enforce a liability arising under this bill.

7 The commission shall take appropriate measures to protect the
8 security of health data which it obtains, including:

9 a. limiting access to the data to authorized persons who have
10 received training in handling the data;

11 b. designating a person to be responsible for the physical security
12 of the data;

13 c. developing and implementing a system for monitoring the
14 security of the data;

15 d. periodically reviewing all health data to evaluate whether it is
16 appropriate to remove identifying characteristics from the data; and

17 e. developing a program for the routine scheduled destruction of
18 all forms, records or electronic files maintained by the commission
19 which contain identifiable health data.

20 The commission shall adopt regulations, pursuant to the
21 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
22 seq.), to effectuate the purposes of this bill, and shall appoint an
23 executive director who may hire staff within the limits of available
24 funds. A \$94,000 appropriation to the commission is provided in the
25 bill.

SENATE HEALTH COMMITTEE

STATEMENT TO

SENATE, No. 374

with committee amendments

STATE OF NEW JERSEY

DATED: JANUARY 22, 2001

The Senate Health Committee reports favorably and with committee amendments Senate Bill No. 374.

As amended by committee, this bill establishes a permanent commission to be known as the "New Jersey Health Data Commission."

The commission shall consist of 33 members as follows: the Commissioners of Health and Senior Services, Human Services, Banking and Insurance, Labor, Community Affairs and Personnel and the State Treasurer, or their designees; two members each from the Senate and General Assembly, who in each case shall be members of different political parties; and 22 public members appointed by the Governor, including a representative from each of the following: the New Jersey Health Care Payers Coalition, the New Jersey Health Care Quality Institute, the New Jersey Business and Industry Association, the New Jersey AFL-CIO, the Medical Society of New Jersey, the New Jersey Association of Osteopathic Physicians and Surgeons, the New Jersey Hospital Association, the New Jersey Association of Health Care Facilities, the New Jersey State Nurses Association, the New Jersey Dental Association, the Home Health Assembly of New Jersey, Inc., the Mental Health Association in New Jersey, the New Jersey Pharmacists Association, the New Jersey Health Officers Association, Horizon Blue Cross Blue Shield of New Jersey, the Health Insurance Association of America, the New Jersey Association of Health Plans, a domestic stock health insurance carrier based in New Jersey, and teaching and research hospitals. Also, three public members shall be health care consumers, one of whom is a Medicare enrollee.

The bill provides that the commission may:

(1) collect and maintain health data from State government agencies or other entities on:

(a) the extent, nature and impact of illness and disability on the population of the State;

(b) the determinants of health and health hazards;

(c) health resources, including the extent of available manpower and resources;

- (d) utilization of health care;
- (e) health care costs and financing; and
- (f) other health-related matters;

(2) undertake and support research, demonstrations and evaluations concerning new or improved methods for obtaining current health data; and

(3) promote standards for health data that will facilitate the comparison of information and ease the burden of data preparation and reporting.

The commission shall collect health data only on a voluntary basis from persons and entities, except to the extent that specific statutory authority exists to compel the reporting of such data. No health data obtained by the commission may be used for any purpose other than the purpose for which they were supplied or for which the person or entity described in the data has otherwise consented.

The commission shall:

(1) take such actions as may be necessary to assure that the health data which it obtains and maintains are accurate, timely and comprehensive, as well as specific, standardized and adequately analyzed and indexed; and

(2) publish, disseminate and otherwise make available these data on as wide a basis as practicable.

The commission shall make no disclosure of any health data which identifies a person's health status or utilization of health care unless the person described in the data has consented to the disclosure. The same restriction applies to a person or entity to whom the commission has disclosed health data.

No identifiable health data obtained by the commission shall be subject to subpoena or similar compulsory process in a civil or criminal, judicial, administrative or legislative proceeding, nor shall a person or entity with lawful access to identifiable health data pursuant to this bill be compelled to testify with regard to that data; except that data pertaining to a party in litigation may be subject to subpoena or similar compulsory process in an action brought by or on behalf of that party to enforce a liability arising under this bill.

The commission shall take appropriate measures to protect the security of health data which it obtains, including:

(1) limiting access to the data to authorized persons who have received training in handling the data;

(2) designating a person to be responsible for the physical security of the data;

(3) developing and implementing a system for monitoring the security of the data;

(4) periodically reviewing all health data to evaluate whether it is appropriate to remove identifying characteristics from the data; and

(5) developing a program for the routine scheduled destruction of all forms, records or electronic files maintained by the commission

which contain identifiable health data.

The commission shall adopt regulations, pursuant to the "Administrative Procedure Act," N.J.S.A.52:14B-1 et seq., to effectuate the purposes of this bill, and shall appoint an executive director who may hire staff within the limits of available funds. A \$94,000 appropriation to the commission is provided in the bill.

The committee amended the bill to add a representative of the New Jersey Association of Osteopathic Physicians and Surgeons to the commission and to specify in the definition of "health data" that the term shall not include information that is created or received by members of the clergy or others who use spiritual means alone for healing. Other amendments, which make this bill identical to Assembly Bill No. 314 (1R), strengthen the confidentiality provisions in section 6 by providing that neither the commission, nor a person or entity to whom the commission has disclosed health data, shall disclose any health data which identifies a person's health status or utilization of health care unless the person described in the data has consented to the disclosure.

As amended, this bill is identical to Assembly Bill No. 314 (1R) SCA (Vandervalk/Cohen), which the committee also reported favorably on this date.

This bill was prefiled for introduction in the 2000-2001 session pending technical review. As reported, the bill includes the changes required by technical review which has been performed.

[First Reprint]
SENATE, No. 374

STATE OF NEW JERSEY
209th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2000 SESSION

Sponsored by:

Senator JACK SINAGRA

District 18 (Middlesex)

Senator JOHN H. ADLER

District 6 (Camden)

SYNOPSIS

“Health Data Commission Act;” appropriates \$94,000.

CURRENT VERSION OF TEXT

As reported by the Senate Health Committee on January 22, 2001, with amendments.



1 AN ACT establishing the New Jersey Health Data Commission,
2 supplementing Title 52 of the Revised Statutes and making an
3 appropriation.

4

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

7

8 1. This act shall be known and may be cited as the "Health Data
9 Commission Act."

10

11 2. The Legislature finds and declares that:

12 a. It is the intention of the Legislature to establish a single point of
13 contact for members of the public to obtain health data through the
14 creation of the New Jersey Health Data Commission;

15 b. The purpose of this commission is to compile health care access,
16 quality and cost data produced within the State from public and
17 private entities and maximize the usefulness of the data for the public
18 without duplicating existing data collection efforts by State agencies;
19 and

20 c. It is anticipated that the expense to the State of compiling and
21 disseminating the available and useful health data for the benefit of the
22 public will be minimal and will be partially offset by subscriptions to
23 routinely published commission documents, the purchase of special
24 commission reports, and the receipt of grants to provide health data
25 information to the public.

26

27 3. As used in this act:

28 "Commission" means the New Jersey Health Data Commission
29 established pursuant to this act.

30 "Disclosure" means the disclosure of health data to a person or
31 entity outside the commission.

32 "Health data" means any information, except vital statistics as
33 defined in R.S.26:8-1, relating to the health status of people, the
34 availability of health care resources and services, or the use and cost
35 of these resources and services. ¹Health data shall not include
36 information that is created or received by members of the clergy or
37 others who use spiritual means alone for healing.¹

38 "Identifiable health data" means any item, collection or grouping of
39 health data which makes the person supplying it or described in it
40 identifiable.

41 "Research and statistical purposes" means the performance of
42 certain activities relating to health data, including, but not limited to:

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 January 22, 2001.

1 describing the group characteristics of persons or entities; analyzing
2 the interrelationships among various characteristics of persons or
3 entities; the conduct of statistical procedures or studies to improve the
4 quality of health data; the design of sample surveys and the selection
5 of samples of persons or entities; the preparation and publication of
6 reports describing these activities; and other related functions; but
7 excluding the use of health data for a person or entity to make a
8 determination directly affecting the rights, benefits or entitlements of
9 that person or entity.

10
11 4. a. There is created a permanent commission to be known as the
12 "New Jersey Health Data Commission." The commission shall consist
13 of ¹[32] 33¹ members as follows: the Commissioners of Health and
14 Senior Services, Human Services, Banking and Insurance, Labor,
15 Community Affairs and Personnel and the State Treasurer, or their
16 designees, as ex officio members; two members each from the Senate
17 and General Assembly to be appointed by the President of the Senate
18 and the Speaker of the General Assembly, respectively, who in each
19 case shall be members of different political parties; and ¹[21] 22¹
20 public members who shall be appointed by the Governor as follows:
21 one person upon the recommendation of the New Jersey Health Care
22 Payers Coalition; one person upon the recommendation of the New
23 Jersey Health Care Quality Institute; one person upon the
24 recommendation of the New Jersey Business and Industry Association;
25 one person upon the recommendation of the New Jersey AFL-CIO;
26 one person upon the recommendation of the Medical Society of New
27 Jersey; ¹one person upon the recommendation of the New Jersey
28 Association of Osteopathic Physicians and Surgeons;¹ one person
29 upon the recommendation of the New Jersey Hospital Association; one
30 person upon the recommendation of the New Jersey Association of
31 Health Care Facilities, one person upon the recommendation of the
32 New Jersey State Nurses Association; one person upon the
33 recommendation of the New Jersey Dental Association; one person
34 upon the recommendation of the Home Health Assembly of New
35 Jersey, Inc.; one person upon the recommendation of the Mental
36 Health Association in New Jersey; one person upon the
37 recommendation of the New Jersey Pharmacists Association; one
38 person upon the recommendation of the New Jersey Health Officers
39 Association; one person upon the recommendation of Horizon Blue
40 Cross Blue Shield of New Jersey; one person upon the
41 recommendation of the Health Insurance Association of America; one
42 person upon the recommendation of the New Jersey Association of
43 Health Plans; one person upon the recommendation of a domestic
44 stock health insurance carrier based in New Jersey; one person who
45 represents teaching and research hospitals, upon the joint
46 recommendation of the University of Medicine and Dentistry of New

1 Jersey, the University Health System of New Jersey, Robert Wood
2 Johnson University Hospital and Cooper Hospital/University Medical
3 Center; and three other public members who are consumers of health
4 care services and are not represented by any of the other categories of
5 public members included on the commission, one of whom shall be
6 enrolled as a beneficiary of the Medicare program established pursuant
7 to the federal Social Security Act, Pub.L.89-97 (42 U.S.C. s.1395 et
8 seq.).

9 b. All appointments to the commission shall be made no later than
10 the 90th day after the effective date of this act. The commission shall
11 organize upon the appointment of a majority of its authorized
12 membership.

13 c. Appointed members of the commission shall serve for three-year
14 terms, except that of the public members first appointed, ¹[five] six¹
15 shall be appointed for terms of one year, eight for terms of two years
16 and eight for terms of three years.

17 d. Each member shall hold office for the term of appointment and
18 until a successor is appointed and qualified. All vacancies shall be
19 filled in the same manner as the original appointment. Members
20 appointed to fill a vacancy occurring for any reason other than the
21 expiration of the term shall serve for the unexpired term only. An
22 appointed member of the commission shall be eligible for
23 reappointment. An appointed member may be removed for cause.

24 e. Appointed members shall serve without compensation, but shall
25 be reimbursed for necessary expenses incurred in the performance of
26 their duties.

27 f. The commission shall select a chairman from among the public
28 members, who shall serve a one-year term but may serve consecutive
29 terms. The commission shall adopt by-laws. The commission shall
30 meet at least quarterly and may meet at other times at the call of the
31 chairman. The commission shall in all respects comply with the
32 provisions of the "Open Public Meetings Act," P.L.1975, c.231
33 (C.10:4-6 et seq.). No motion to take any action by the commission
34 shall be valid except upon the affirmative vote of a majority of the
35 quorum required to conduct business.

36 g. The commission shall appoint a full-time executive director, who
37 shall serve as secretary to the commission. The executive director shall
38 serve at the pleasure of the commission and shall be qualified by
39 training and experience to perform the duties of the position. The
40 executive director shall be in the unclassified service of the Civil
41 Service and may hire properly qualified employees, within the limits of
42 funds appropriated or otherwise made available to the commission,
43 who shall also be employed in the unclassified service of the Civil
44 Service; except that employees performing stenographic or clerical
45 duties shall be in the career service and appointed pursuant to Title
46 11A of the New Jersey Statutes.

- 1 5. a. The commission may:
- 2 (1) collect and maintain health data from State government
- 3 agencies or other entities on:
- 4 (a) the extent, nature and impact of illness and disability on the
- 5 population of the State;
- 6 (b) the determinants of health and health hazards;
- 7 (c) health resources, including the extent of available personnel and
- 8 resources;
- 9 (d) utilization of health care;
- 10 (e) health care costs and financing; and
- 11 (f) other health-related matters;
- 12 (2) undertake and support research, demonstrations and
- 13 evaluations concerning new or improved methods for obtaining current
- 14 data with respect to any of the health data described in paragraph (1)
- 15 of this subsection; and
- 16 (3) promote standards for health data that will facilitate the
- 17 comparison of information and ease the burden of data preparation and
- 18 reporting.
- 19 b. The commission may collect health data on behalf of other
- 20 entities.
- 21 c. The commission shall collect health data only on a voluntary
- 22 basis from persons and entities, except to the extent that specific
- 23 statutory authority exists to compel the reporting of such data. When
- 24 requesting health data from a person or entity, the agency shall notify
- 25 the person or entity in writing as to the following:
- 26 (1) whether the person or entity is required to supply the health
- 27 data and any sanctions which may be imposed for noncompliance;
- 28 (2) the purposes for which the health data is being collected; and
- 29 (3) if the commission intends to disclose identifiable health data for
- 30 other than research and statistical purposes, the information to be
- 31 disclosed, to whom it is to be disclosed, and for what purposes.
- 32 d. ¹[Except as provided in section 6 of this act, no] No¹ health
- 33 data obtained by the commission may be used for any purpose other
- 34 than the purpose for which they were supplied or for which the person
- 35 or entity described in the data has otherwise consented.
- 36 e. The commission shall:
- 37 (1) take such actions as may be necessary to assure that the health
- 38 data which it obtains and maintains are accurate, timely and
- 39 comprehensive, as well as specific, standardized and adequately
- 40 analyzed and indexed; and
- 41 (2) publish, disseminate and otherwise make available these data
- 42 on as wide a basis as practicable.
- 43 f. The commission shall take such actions as are appropriate to
- 44 effect the collection and compilation of health data produced within
- 45 the State and to maximize the usefulness of the data collected.
- 46 g. The commission shall:

1 (1) participate with federal, State and local government agencies
2 in the design and implementation of a cooperative system of producing
3 comparable and uniform health data at the federal, State and local
4 levels;

5 (2) undertake and support research, development, demonstrations
6 and evaluations concerning such a cooperative system; and

7 (3) assume its fair share of the data costs associated with
8 implementing and maintaining such a system.

9

10 6. a. The commission shall make no disclosure of any health data
11 which identifies a person's health status or utilization of health care
12 unless¹[:

13 (1)]¹ the person described in the data has consented to the
14 disclosure¹[: or

15 (2) the disclosure is to a federal government agency or a state
16 government agency in this or another state, except that:

17 (a) the data shall be used for a purpose for which the data was
18 collected by the commission; and

19 (b) the recipient of the data shall enter into a written agreement
20 with the commission that it will protect the data in accordance with the
21 requirements of this act and will not permit further disclosure without
22 the prior approval of the commission; or

23 (3) the disclosure is to a person or entity, for a specified period of
24 time determined by the commission, solely for bona fide research and
25 statistical purposes, as determined in accordance with guidelines
26 adopted by the commission, when:

27 (a) the commission determines that the disclosure of the data to the
28 requesting person or entity is required for the research and statistical
29 purposes proposed; and

30 (b) the requesting person or entity has entered into a written
31 agreement with the commission that it will protect the data in
32 accordance with the requirements of this act and will not permit
33 further disclosure without the prior approval of the commission;
34 except that the name, address or other unique personal identifier of a
35 person supplying the data or identified in it shall not be disclosed to
36 the requesting person or entity]¹.

37 b. ¹[Any disclosure provided for in this section shall be made at
38 the discretion of the commission] A person or entity to whom the
39 commission has disclosed health data shall make no disclosure of any
40 health data which identifies a person's health status or utilization of
41 health care unless the person described in the data has consented to the
42 disclosure¹.

43 c. No identifiable health data obtained by the commission shall be
44 subject to subpoena or similar compulsory process in a civil or
45 criminal, judicial, administrative or legislative proceeding, nor shall a
46 person or entity with lawful access to identifiable health data pursuant

1 to this act be compelled to testify with regard to that data; except that
2 data pertaining to a party in litigation may be subject to subpoena or
3 similar compulsory process in an action brought by or on behalf of that
4 party to enforce a liability arising under this act.

5
6 7. The commission shall take appropriate measures to protect the
7 security of health data which it obtains, including:

8 a. limiting access to the data to authorized persons;

9 b. designating a person to be responsible for the physical security
10 of the data;

11 c. developing and implementing a system for monitoring the
12 security of the data;

13 d. periodically reviewing all health data to evaluate whether it is
14 appropriate to remove identifying characteristics from the data; and

15 e. developing a program for the routine scheduled destruction of
16 all forms, records or electronic files maintained by the commission
17 which contain identifiable health data.

18
19 8. In addition to any other powers authorized by law, the
20 commission shall have the authority, in accordance with State law, to:

21 a. make and enter into contracts to purchase services and supplies
22 and to hire consultants;

23 b. develop and submit a proposed budget;

24 c. accept gifts and charitable contributions;

25 d. apply for, receive and expend grants;

26 e. adopt regulations, pursuant to the "Administrative Procedure
27 Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to effectuate the purposes
28 of this act;

29 f. establish charges for and collect payment from persons and
30 entities for the provision of services, including the dissemination of
31 health data;

32 g. receive and expend appropriations;

33 h. enter into a reimbursable work program with other State
34 government agencies or private entities under which funds are
35 transferred from the other agencies or entities to the commission for
36 the performance of activities pursuant to this act; and

37 i. provide such other services and perform such other functions as
38 the commission deems necessary to fulfill its responsibilities under this
39 act.

40
41 9. a. A person or entity whom the commission determines has
42 violated ¹[any of]¹ the provisions of section 6 of this act regarding the
43 disclosure of health data shall be subject, in addition to any other
44 penalties that may be prescribed by law, to: a civil penalty of not more
45 than \$10,000 for each such violation, but not to exceed \$50,000 in the
46 aggregate for multiple violations; or a civil penalty of not more than

1 \$250,000, if the commission finds that these violations have occurred
2 with such frequency as to constitute a general business practice.

3 The penalty shall be sued for and collected in the name of the
4 commission in a summary proceeding in accordance with the
5 ¹["penalty enforcement law," N.J.S.A.2A:58-1 et seq.] "Penalty
6 Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).¹

7 b. The commission or an entity acting on its behalf shall be liable
8 to a person or entity injured by the intentional or negligent violation
9 of ¹[any provision] the provisions¹ of section 6 of this act in an
10 amount equal to the damages sustained by the person or entity,
11 together with the cost of the action and reasonable attorney's fees, as
12 determined by the court.

13

14 10. There is appropriated \$94,000 from the General Fund to the
15 New Jersey Health Data Commission to carry out the provisions of
16 this act.

17

18 11. This act shall take effect immediately.

Title 52.
Chapter 9YY (New)
Health Data
Commission
§§1-9
C.52:9YY-1 to
52: 9YY-9
§10
Approp.

P.L. 2001, CHAPTER 192, *approved July 31, 2001*
Assembly, No. 314 (*Second Reprint*)

1 AN ACT establishing the New Jersey Health Data Commission,
2 supplementing Title 52 of the Revised Statutes and making an
3 appropriation.
4

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

7
8 1. This act shall be known and may be cited as the "Health Data
9 Commission Act."
10

11 2. The Legislature finds and declares that:

12 a. It is the intention of the Legislature to establish a single point of
13 contact for members of the public to obtain health data through the
14 creation of the New Jersey Health Data Commission;

15 b. The purpose of this commission is to compile health care access,
16 quality and cost data produced within the State from public and
17 private entities and maximize the usefulness of the data for the public
18 without duplicating existing data collection efforts by State agencies;
19 and

20 c. It is anticipated that the expense to the State of compiling and
21 disseminating the available and useful health data for the benefit of the
22 public will be minimal and will be partially offset by subscriptions to
23 routinely published commission documents, the purchase of special
24 commission reports, and the receipt of grants to provide health data
25 information to the public.
26

27 3. As used in this act:

28 "Commission" means the New Jersey Health Data Commission
29 established pursuant to this act.

30 "Disclosure" means the disclosure of health data to a person or
31 entity outside the commission.

32 "Health data" means any information, except vital statistics as
33 defined in R.S.26:8-1, relating to the health status of people, the

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 Assembly AHL committee amendments adopted May 1, 2000.

² Senate SHH committee amendments adopted January 22, 2001.

1 availability of health care resources and services, or the use and cost
2 of these resources and services. ²Health data shall not include
3 information that is created or received by members of the clergy or
4 others who use spiritual means alone for healing.²

5 "Identifiable health data" means any item, collection or grouping of
6 health data which makes the person supplying it or described in it
7 identifiable.

8 "Research and statistical purposes" means the performance of
9 certain activities relating to health data, including, but not limited to:
10 describing the group characteristics of persons or entities; analyzing
11 the interrelationships among various characteristics of persons or
12 entities; the conduct of statistical procedures or studies to improve the
13 quality of health data; the design of sample surveys and the selection
14 of samples of persons or entities; the preparation and publication of
15 reports describing these activities; and other related functions; but
16 excluding the use of health data for a person or entity to make a
17 determination directly affecting the rights, benefits or entitlements of
18 that person or entity.

19
20 4. a. There is created a permanent commission to be known as the
21 "New Jersey Health Data Commission." The commission shall consist
22 of ²[32] 33² members as follows: the Commissioners of Health and
23 Senior Services, Human Services, Banking and Insurance, Labor,
24 Community Affairs and Personnel and the State Treasurer, or their
25 designees, as ex officio members; two members each from the Senate
26 and General Assembly to be appointed by the President of the Senate
27 and the Speaker of the General Assembly, respectively, who in each
28 case shall be members of different political parties; and ²[21] 22²
29 public members who shall be appointed by the Governor as follows:
30 one person upon the recommendation of the New Jersey Health Care
31 Payers Coalition; one person upon the recommendation of the New
32 Jersey Health Care Quality Institute; one person upon the
33 recommendation of the New Jersey Business and Industry Association;
34 one person upon the recommendation of the New Jersey AFL-CIO;
35 one person upon the recommendation of the Medical Society of New
36 Jersey; ²one person upon the recommendation of the New Jersey
37 Association of Osteopathic Physicians and Surgeons;² one person
38 upon the recommendation of the New Jersey Hospital Association; one
39 person upon the recommendation of the New Jersey Association of
40 Health Care Facilities, one person upon the recommendation of the
41 New Jersey State Nurses Association; one person upon the
42 recommendation of the New Jersey Dental Association; one person
43 upon the recommendation of the Home Health Assembly of New
44 Jersey, Inc.; one person upon the recommendation of the Mental
45 Health Association in New Jersey; one person upon the
46 recommendation of the New Jersey Pharmacists Association; one

1 person upon the recommendation of the New Jersey Health Officers
2 Association; one person upon the recommendation of Horizon Blue
3 Cross Blue Shield of New Jersey; one person upon the
4 recommendation of the Health Insurance Association of America; one
5 person upon the recommendation of the New Jersey Association of
6 Health Plans; one person upon the recommendation of a domestic
7 stock health insurance carrier based in New Jersey; one person who
8 represents teaching and research hospitals, upon the joint
9 recommendation of the University of Medicine and Dentistry of New
10 Jersey, the University Health System of New Jersey, Robert Wood
11 Johnson University Hospital and Cooper Hospital/University Medical
12 Center; and three other public members who are consumers of health
13 care services and are not represented by any of the other categories of
14 public members included on the commission, one of whom shall be
15 enrolled as a beneficiary of the Medicare program established pursuant
16 to the federal Social Security Act, Pub.L.89-97 (42 U.S.C. s.1395 et
17 seq.).

18 b. All appointments to the commission shall be made no later than
19 the 90th day after the effective date of this act. The commission shall
20 organize upon the appointment of a majority of its authorized
21 membership.

22 c. Appointed members of the commission shall serve for three-year
23 terms, except that of the public members first appointed, ²[five] six²
24 shall be appointed for terms of one year, eight for terms of two years
25 and eight for terms of three years.

26 d. Each member shall hold office for the term of appointment and
27 until a successor is appointed and qualified. All vacancies shall be
28 filled in the same manner as the original appointment. Members
29 appointed to fill a vacancy occurring for any reason other than the
30 expiration of the term shall serve for the unexpired term only. An
31 appointed member of the commission shall be eligible for
32 reappointment. An appointed member may be removed for cause.

33 e. Appointed members shall serve without compensation, but shall
34 be reimbursed for necessary expenses incurred in the performance of
35 their duties.

36 f. The commission shall select a chairman from among the public
37 members, who shall serve a one-year term but may serve consecutive
38 terms. The commission shall adopt by-laws. The commission shall
39 meet at least quarterly and may meet at other times at the call of the
40 chairman. The commission shall in all respects comply with the
41 provisions of the "Open Public Meetings Act," P.L.1975, c.231
42 (C.10:4-6 et seq.). No motion to take any action by the commission
43 shall be valid except upon the affirmative vote of a majority of the
44 quorum required to conduct business.

45 g. The commission shall appoint a full-time executive director, who
46 shall serve as secretary to the commission. The executive director shall
47 serve at the pleasure of the commission and shall be qualified by

1 training and experience to perform the duties of the position. The
2 executive director shall be in the unclassified service of the Civil
3 Service and may hire properly qualified employees, within the limits of
4 funds appropriated or otherwise made available to the commission,
5 who shall also be employed in the unclassified service of the Civil
6 Service; except that employees performing stenographic or clerical
7 duties shall be in the career service and appointed pursuant to Title
8 11A of the New Jersey Statutes.

9

10 5. a. The commission may:

11 (1) collect and maintain health data from State government
12 agencies or other entities on:

13 (a) the extent, nature and impact of illness and disability on the
14 population of the State;

15 (b) the determinants of health and health hazards;

16 (c) health resources, including the extent of available personnel and
17 resources;

18 (d) utilization of health care;

19 (e) health care costs and financing; and

20 (f) other health-related matters;

21 (2) undertake and support research, demonstrations and
22 evaluations concerning new or improved methods for obtaining current
23 data with respect to any of the health data described in paragraph (1)
24 of this subsection; and

25 (3) promote standards for health data that will facilitate the
26 comparison of information and ease the burden of data preparation and
27 reporting.

28 b. The commission may collect health data on behalf of other
29 entities.

30 c. The commission shall collect health data only on a voluntary
31 basis from persons and entities, except to the extent that specific
32 statutory authority exists to compel the reporting of such data. When
33 requesting health data from a person or entity, the agency shall notify
34 the person or entity in writing as to the following:

35 (1) whether the person or entity is required to supply the health
36 data and any sanctions which may be imposed for noncompliance;

37 (2) the purposes for which the health data is being collected; and

38 (3) if the commission intends to disclose identifiable health data for
39 other than research and statistical purposes, the information to be
40 disclosed, to whom it is to be disclosed, and for what purposes.

41 d. ¹[Except as provided in section 6 of this act, no] No¹ health
42 data obtained by the commission may be used for any purpose other
43 than the purpose for which they were supplied or for which the person
44 or entity described in the data has otherwise consented.

45 e. The commission shall:

46 (1) take such actions as may be necessary to assure that the health

- 1 data which it obtains and maintains are accurate, timely and
2 comprehensive, as well as specific, standardized and adequately
3 analyzed and indexed; and
- 4 (2) publish, disseminate and otherwise make available these data
5 on as wide a basis as practicable.
- 6 f. The commission shall take such actions as are appropriate to
7 effect the collection and compilation of health data produced within
8 the State and to maximize the usefulness of the data collected.
- 9 g. The commission shall:
- 10 (1) participate with federal, State and local government agencies
11 in the design and implementation of a cooperative system of producing
12 comparable and uniform health data at the federal, State and local
13 levels;
- 14 (2) undertake and support research, development, demonstrations
15 and evaluations concerning such a cooperative system; and
- 16 (3) assume its fair share of the data costs associated with
17 implementing and maintaining such a system.
- 18
- 19 6. a. The commission shall make no disclosure of any health data
20 which identifies a person's health status or utilization of health care
21 unless¹[:
- 22 (1)]¹ the person described in the data has consented to the
23 disclosure¹[: or
- 24 (2) the disclosure is to a federal government agency or a state
25 government agency in this or another state, except that:
- 26 (a) the data shall be used for a purpose for which the data was
27 collected by the commission; and
- 28 (b) the recipient of the data shall enter into a written agreement
29 with the commission that it will protect the data in accordance with the
30 requirements of this act and will not permit further disclosure without
31 the prior approval of the commission; or
- 32 (3) the disclosure is to a person or entity, for a specified period of
33 time determined by the commission, solely for bona fide research and
34 statistical purposes, as determined in accordance with guidelines
35 adopted by the commission, when:
- 36 (a) the commission determines that the disclosure of the data to the
37 requesting person or entity is required for the research and statistical
38 purposes proposed; and
- 39 (b) the requesting person or entity has entered into a written
40 agreement with the commission that it will protect the data in
41 accordance with the requirements of this act and will not permit
42 further disclosure without the prior approval of the commission;
43 except that the name, address or other unique personal identifier of a
44 person supplying the data or identified in it shall not be disclosed to
45 the requesting person or entity]¹.
- 46 b. ¹[Any disclosure provided for in this section shall be made at

1 the discretion of the commission] A person or entity to whom the
2 commission has disclosed health data shall make no disclosure of any
3 health data which identifies a person's health status or utilization of
4 health care unless the person described in the data has consented to the
5 disclosure¹.

6 c. No identifiable health data obtained by the commission shall be
7 subject to subpoena or similar compulsory process in a civil or
8 criminal, judicial, administrative or legislative proceeding, nor shall a
9 person or entity with lawful access to identifiable health data pursuant
10 to this act be compelled to testify with regard to that data; except that
11 data pertaining to a party in litigation may be subject to subpoena or
12 similar compulsory process in an action brought by or on behalf of that
13 party to enforce a liability arising under this act.

14

15 7. The commission shall take appropriate measures to protect the
16 security of health data which it obtains, including:

17 a. limiting access to the data to authorized persons;

18 b. designating a person to be responsible for the physical security
19 of the data;

20 c. developing and implementing a system for monitoring the
21 security of the data;

22 d. periodically reviewing all health data to evaluate whether it is
23 appropriate to remove identifying characteristics from the data; and

24 e. developing a program for the routine scheduled destruction of
25 all forms, records or electronic files maintained by the commission
26 which contain identifiable health data.

27

28 8. In addition to any other powers authorized by law, the
29 commission shall have the authority, in accordance with State law, to:

30 a. make and enter into contracts to purchase services and supplies
31 and to hire consultants;

32 b. develop and submit a proposed budget;

33 c. accept gifts and charitable contributions;

34 d. apply for, receive and expend grants;

35 e. adopt regulations, pursuant to the "Administrative Procedure
36 Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to effectuate the purposes
37 of this act;

38 f. establish charges for and collect payment from persons and
39 entities for the provision of services, including the dissemination of
40 health data;

41 g. receive and expend appropriations;

42 h. enter into a reimbursable work program with other State
43 government agencies or private entities under which funds are
44 transferred from the other agencies or entities to the commission for
45 the performance of activities pursuant to this act; and

46 i. provide such other services and perform such other functions as

1 the commission deems necessary to fulfill its responsibilities under this
2 act.

3
4 9. a. A person or entity whom the commission determines has
5 violated ¹[any of]¹ the provisions of section 6 of this act regarding
6 the disclosure of health data shall be subject, in addition to any other
7 penalties that may be prescribed by law, to: a civil penalty of not more
8 than \$10,000 for each such violation, but not to exceed \$50,000 in the
9 aggregate for multiple violations; or a civil penalty of not more than
10 \$250,000, if the commission finds that these violations have occurred
11 with such frequency as to constitute a general business practice.

12 The penalty shall be sued for and collected in the name of the
13 commission in a summary proceeding in accordance with the "Penalty
14 Enforcement Law of 1999," ²[C.2A:58-10 et seq.] P.L.1999, c.274
15 (C.2A:58-10 et seq.)²

16 b. The commission or an entity acting on its behalf shall be liable
17 to a person or entity injured by the intentional or negligent violation
18 of ¹[any provision] the provisions¹ of section 6 of this act in an
19 amount equal to the damages sustained by the person or entity,
20 together with the cost of the action and reasonable attorney's fees, as
21 determined by the court.

22
23 10. There is appropriated \$94,000 from the General Fund to the
24 New Jersey Health Data Commission to carry out the provisions of
25 this act.

26
27 11. This act shall take effect immediately.

28
29
30 _____
31
32 "Health Data Commission Act;" appropriates \$94,000.

CHAPTER 192

AN ACT establishing the New Jersey Health Data Commission, supplementing Title 52 of the Revised Statutes and making an appropriation.

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

C.52:9YY-1 Short title.

1. This act shall be known and may be cited as the "Health Data Commission Act."

C.52:9YY-2 Findings, declarations relative to the New Jersey Health Data Commission.

2. The Legislature finds and declares that:

- a. It is the intention of the Legislature to establish a single point of contact for members of the public to obtain health data through the creation of the New Jersey Health Data Commission;
- b. The purpose of this commission is to compile health care access, quality and cost data produced within the State from public and private entities and maximize the usefulness of the data for the public without duplicating existing data collection efforts by State agencies; and
- c. It is anticipated that the expense to the State of compiling and disseminating the available and useful health data for the benefit of the public will be minimal and will be partially offset by subscriptions to routinely published commission documents, the purchase of special commission reports, and the receipt of grants to provide health data information to the public.

C.52:9YY-3 Definitions relative to the New Jersey Health Data Commission.

3. As used in this act:

"Commission" means the New Jersey Health Data Commission established pursuant to this act.

"Disclosure" means the disclosure of health data to a person or entity outside the commission.

"Health data" means any information, except vital statistics as defined in R.S.26:8-1, relating to the health status of people, the availability of health care resources and services, or the use and cost of these resources and services. Health data shall not include information that is created or received by members of the clergy or others who use spiritual means alone for healing.

"Identifiable health data" means any item, collection or grouping of health data which makes the person supplying it or described in it identifiable.

"Research and statistical purposes" means the performance of certain activities relating to health data, including, but not limited to: describing the group characteristics of persons or entities; analyzing the interrelationships among various characteristics of persons or entities; the conduct of statistical procedures or studies to improve the quality of health data; the design of sample surveys and the selection of samples of persons or entities; the preparation and publication of reports describing these activities; and other related functions; but excluding the use of health data for a person or entity to make a determination directly affecting the rights, benefits or entitlements of that person or entity.

C.52:9YY-4 New Jersey Health Data Commission created.

4. a. There is created a permanent commission to be known as the "New Jersey Health Data Commission." The commission shall consist of 33 members as follows: the Commissioners of Health and Senior Services, Human Services, Banking and Insurance, Labor, Community Affairs and Personnel and the State Treasurer, or their designees, as ex officio members; two members each from the Senate and General Assembly to be appointed by the President of the Senate and the Speaker of the General Assembly, respectively, who in each case shall be members of different political parties; and 22 public members who shall be appointed by the Governor as follows: one person upon the recommendation of the New Jersey Health Care Payers Coalition; one person upon the recommendation of the New Jersey Health Care Quality Institute; one person upon the recommendation of the New Jersey Business and Industry Association; one person upon the recommendation of the New Jersey AFL-CIO; one person upon the recommendation of the Medical Society of New Jersey; one person upon the recommendation of the New Jersey Association of Osteopathic Physicians and Surgeons; one person upon the recommendation of the New Jersey Hospital Association; one person upon the recommendation of the New Jersey Association of Health Care Facilities, one person upon the recommendation of the New Jersey State Nurses Association; one person upon the recommendation of the New

Jersey Dental Association; one person upon the recommendation of the Home Health Assembly of New Jersey, Inc.; one person upon the recommendation of the Mental Health Association in New Jersey; one person upon the recommendation of the New Jersey Pharmacists Association; one person upon the recommendation of the New Jersey Health Officers Association; one person upon the recommendation of Horizon Blue Cross Blue Shield of New Jersey; one person upon the recommendation of the Health Insurance Association of America; one person upon the recommendation of the New Jersey Association of Health Plans; one person upon the recommendation of a domestic stock health insurance carrier based in New Jersey; one person who represents teaching and research hospitals, upon the joint recommendation of the University of Medicine and Dentistry of New Jersey, the University Health System of New Jersey, Robert Wood Johnson University Hospital and Cooper Hospital/University Medical Center; and three other public members who are consumers of health care services and are not represented by any of the other categories of public members included on the commission, one of whom shall be enrolled as a beneficiary of the Medicare program established pursuant to the federal Social Security Act, Pub.L.89-97 (42 U.S.C. s.1395 et seq.).

b. All appointments to the commission shall be made no later than the 90th day after the effective date of this act. The commission shall organize upon the appointment of a majority of its authorized membership.

c. Appointed members of the commission shall serve for three-year terms, except that of the public members first appointed, six shall be appointed for terms of one year, eight for terms of two years and eight for terms of three years.

d. Each member shall hold office for the term of appointment and until a successor is appointed and qualified. All vacancies shall be filled in the same manner as the original appointment. Members appointed to fill a vacancy occurring for any reason other than the expiration of the term shall serve for the unexpired term only. An appointed member of the commission shall be eligible for reappointment. An appointed member may be removed for cause.

e. Appointed members shall serve without compensation, but shall be reimbursed for necessary expenses incurred in the performance of their duties.

f. The commission shall select a chairman from among the public members, who shall serve a one-year term but may serve consecutive terms. The commission shall adopt by-laws. The commission shall meet at least quarterly and may meet at other times at the call of the chairman. The commission shall in all respects comply with the provisions of the "Open Public Meetings Act," P.L.1975, c.231 (C.10:4-6 et seq.). No motion to take any action by the commission shall be valid except upon the affirmative vote of a majority of the quorum required to conduct business.

g. The commission shall appoint a full-time executive director, who shall serve as secretary to the commission. The executive director shall serve at the pleasure of the commission and shall be qualified by training and experience to perform the duties of the position. The executive director shall be in the unclassified service of the Civil Service and may hire properly qualified employees, within the limits of funds appropriated or otherwise made available to the commission, who shall also be employed in the unclassified service of the Civil Service; except that employees performing stenographic or clerical duties shall be in the career service and appointed pursuant to Title 11A of the New Jersey Statutes.

C.52:9YY-5 Commission duties.

5. a. The commission may:

- (1) collect and maintain health data from State government agencies or other entities on:
 - (a) the extent, nature and impact of illness and disability on the population of the State;
 - (b) the determinants of health and health hazards;
 - (c) health resources, including the extent of available personnel and resources;
 - (d) utilization of health care;
 - (e) health care costs and financing; and
 - (f) other health-related matters;
- (2) undertake and support research, demonstrations and evaluations concerning new or improved methods for obtaining current data with respect to any of the health data described in

paragraph (1) of this subsection; and

(3) promote standards for health data that will facilitate the comparison of information and ease the burden of data preparation and reporting.

b. The commission may collect health data on behalf of other entities.

c. The commission shall collect health data only on a voluntary basis from persons and entities, except to the extent that specific statutory authority exists to compel the reporting of such data. When requesting health data from a person or entity, the agency shall notify the person or entity in writing as to the following:

(1) whether the person or entity is required to supply the health data and any sanctions which may be imposed for noncompliance;

(2) the purposes for which the health data is being collected; and

(3) if the commission intends to disclose identifiable health data for other than research and statistical purposes, the information to be disclosed, to whom it is to be disclosed, and for what purposes.

d. No health data obtained by the commission may be used for any purpose other than the purpose for which they were supplied or for which the person or entity described in the data has otherwise consented.

e. The commission shall:

(1) take such actions as may be necessary to assure that the health data which it obtains and maintains are accurate, timely and comprehensive, as well as specific, standardized and adequately analyzed and indexed; and

(2) publish, disseminate and otherwise make available these data on as wide a basis as practicable.

f. The commission shall take such actions as are appropriate to effect the collection and compilation of health data produced within the State and to maximize the usefulness of the data collected.

g. The commission shall:

(1) participate with federal, State and local government agencies in the design and implementation of a cooperative system of producing comparable and uniform health data at the federal, State and local levels;

(2) undertake and support research, development, demonstrations and evaluations concerning such a cooperative system; and

(3) assume its fair share of the data costs associated with implementing and maintaining such a system.

C.52:9YY-6 Disclosure of health data, conditions.

6. a. The commission shall make no disclosure of any health data which identifies a person's health status or utilization of health care unless the person described in the data has consented to the disclosure.

b. A person or entity to whom the commission has disclosed health data shall make no disclosure of any health data which identifies a person's health status or utilization of health care unless the person described in the data has consented to the disclosure.

c. No identifiable health data obtained by the commission shall be subject to subpoena or similar compulsory process in a civil or criminal, judicial, administrative or legislative proceeding, nor shall a person or entity with lawful access to identifiable health data pursuant to this act be compelled to testify with regard to that data; except that data pertaining to a party in litigation may be subject to subpoena or similar compulsory process in an action brought by or on behalf of that party to enforce a liability arising under this act.

C.52:9YY-7 Security of health data.

7. The commission shall take appropriate measures to protect the security of health data which it obtains, including:

a. limiting access to the data to authorized persons;

b. designating a person to be responsible for the physical security of the data;

c. developing and implementing a system for monitoring the security of the data;

- d. periodically reviewing all health data to evaluate whether it is appropriate to remove identifying characteristics from the data; and
- e. developing a program for the routine scheduled destruction of all forms, records or electronic files maintained by the commission which contain identifiable health data.

C.52:9YY-8 Additional powers of commission.

8. In addition to any other powers authorized by law, the commission shall have the authority, in accordance with State law, to:

- a. make and enter into contracts to purchase services and supplies and to hire consultants;
- b. develop and submit a proposed budget;
- c. accept gifts and charitable contributions;
- d. apply for, receive and expend grants;
- e. adopt regulations, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to effectuate the purposes of this act;
- f. establish charges for and collect payment from persons and entities for the provision of services, including the dissemination of health data;
- g. receive and expend appropriations;
- h. enter into a reimbursable work program with other State government agencies or private entities under which funds are transferred from the other agencies or entities to the commission for the performance of activities pursuant to this act; and
- i. provide such other services and perform such other functions as the commission deems necessary to fulfill its responsibilities under this act.

C.52:9YY-9 Penalties for unauthorized disclosures; liability of commission.

9. a. A person or entity whom the commission determines has violated the provisions of section 6 of this act regarding the disclosure of health data shall be subject, in addition to any other penalties that may be prescribed by law, to: a civil penalty of not more than \$10,000 for each such violation, but not to exceed \$50,000 in the aggregate for multiple violations; or a civil penalty of not more than \$250,000, if the commission finds that these violations have occurred with such frequency as to constitute a general business practice.

The penalty shall be sued for and collected in the name of the commission in a summary proceeding in accordance with the "Penalty Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.)

b. The commission or an entity acting on its behalf shall be liable to a person or entity injured by the intentional or negligent violation of the provisions of section 6 of this act in an amount equal to the damages sustained by the person or entity, together with the cost of the action and reasonable attorney's fees, as determined by the court.

10. There is appropriated \$94,000 from the General Fund to the New Jersey Health Data Commission to carry out the provisions of this act.

11. This act shall take effect immediately.

Approved July 31, 2001.

Office of the Governor

PO BOX 004
TRENTON, NJ 08625

NEWS RELEASE

CONTACT: Rae Hutton
or Kristin Zebrowski
609-777-2600

RELEASE: August 2, 2001

Acting Governor Donald T. DiFrancesco has signed the following legislation:

S-1239, sponsored by Senators Joseph Palaia (R-Monmouth) and Jack Sinagra (R-Middlesex) and Assembly members Marion Crecco (R-Essex/Passaic) and Guy Talarico (R-Bergen), requires parental consent prior to tattooing or body piercing of minors. This bill makes it a disorderly offense for a person to knowingly tattoo or body pierce a minor under the age of 18 without prior consent of the parent or guardian.

S-232, sponsored by Senator Wayne Bryant (D-Camden/Gloucester) and Assemblymen Neil Cohen (D-Union), requires a child support order relating to health care coverage be enforced through National Medical Support Notice and indicate the party responsible for maintaining the coverage.

S-812, sponsored by Senators Joseph Kyrillos (R-Middlesex/Monmouth) and Bernard Kenny (D-Hudson) and Assemblyman Joseph Azzolina (R-Middlesex/Monmouth), provides that a municipal authority may allow certain employees to waive the SHBP coverage to which the employee is entitled by virtue of employment with the municipal authority.

S-1641, sponsored by Senators John Matheussen (R-Camden/Gloucester) and Norman Robertson (R-Essex/Passaic) and Assemblymen Kip Bateman (R-Morris/Somerset) and Charles Zisa (D-Bergen), directs certain juvenile justice records be available to law enforcement agencies and prosecutors on a 24-hour basis. Types of information which would be made available under this bill includes juvenile arrest information, juvenile disposition information, juvenile pretrial detention information and information concerning the probation status of a juvenile.

A-1980, sponsored by Senate Majority Leader John Bennett (R-Monmouth) and Assemblyman Neil Cohen (D-Union), permits a corporation to change from an operating corporation to a holding corporation without shareholder approval and without the need to transfer assets and liabilities.

A-3219, sponsored by Senators Gerald Cardinale (R-Bergen) and Garry Furnari (D-Bergen/Essex/Passaic) and Assemblymen Kip Bateman (R-Morris/Somerset) and Richard Merkt (R-Morris), limits the cost of a "Y2K" examination of a domestic fraternal benefit society to no more than one percent of the society's 1999 net premiums received. The balance for any such examination would be paid by the Department of Banking and Insurance.

A-314, sponsored by Senators Jack Sinagra (R-Middlesex) and John Adler (D-Camden) and Assembly members Charlotte Vandervalk (R-Bergen) and Neil Cohen (D-Union), establishes a permanent commission to be known as the "New Jersey Health Data Commission. The 33-

member Commission would collect and maintain health data from State government agencies or other entities.

The bill also appropriates \$94,000 and assumes that the cost to the State to operate the Commission will be partially offset by payments for Commission documents and receipt of grants.