

ASSEMBLY HUMAN SERVICES COMMITTEE

STATEMENT TO

ASSEMBLY, No. 4223

STATE OF NEW JERSEY

DATED: JUNE 8, 2023

The Assembly Human Services Committee reports favorably Assembly Bill No. 4223.

This bill increases the Medicaid reimbursement rates for primary care and mental health services according to the Medicare payment rate for the same services. Under the bill, primary care services means the same as defined under section 1202 of the federal “Health Care and Education Reconciliation Act of 2010,” and includes evaluation and management services, which cover the non-procedural services patients receive from a provider, and services related to immunization administration. Mental health services means procedures or services rendered by a health care provider, in a traditional setting as well in an integrated behavioral health setting or via a collaborative care program, for the treatment of mental illness, emotional disorders, or drug or alcohol abuse.

Under the bill, commencing on July 1, 2023, and annually thereafter, the Medicaid reimbursement rate for primary care and mental health services is required to be no less than 100 percent of the payment rate that applies to such services under part B of the federal Medicare program. Primary care and mental health services include those services furnished by:

(1) a physician with a primary specialty designation of family medicine, general internal medicine, general pediatric medicine, or obstetrics and gynecology;

(2) a health care professional, including but not limited to an advance practice nurse or a physician assistant, who is working in the area of family medicine, general internal medicine, general pediatric medicine, or obstetrics and gynecology; or

(3) a midwife.

Mental health services additionally include those services furnished by a health care provider with one of the following specialty designations: licensed clinical social worker, psychologist, licensed professional counselor, licensed marriage and family therapist, or psychiatrist.

The provisions of the bill are not to be construed to require any decrease in the Medicaid reimbursement rate for a primary care or mental health service from the previous fiscal year’s reimbursement level for the same service. Moreover, the requirements established under the bill apply whether the services are reimbursed under the

Medicaid fee-for-service delivery system or the Medicaid managed care delivery system, and only to services delivered by approved Medicaid providers.

The bill directs the Commissioner of Human Services, no later than July 1, 2024, to submit a report to the Governor and Legislature providing information on the implementation of the bill, including data indicating any changes regarding access to primary care and mental health services, as well as the quality of care of these services, for Medicaid beneficiaries following any rate increases associated with the bill.