

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

SENATE, No. 2894

STATE OF NEW JERSEY

DATED: MAY 11, 2023

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 2894 (1R).

This bill provides for the establishment of Mission Critical Long-Term Care Teams, which will be responsible for identifying long-term care facilities for which progressive levels of oversight and direct intervention may be necessary to prevent the decline of health and safety at the facility or the disruption of necessary health care services at the facility. Each Mission Critical Long-Term Care Team will work collaboratively with long-term care facilities to improve the financial and operating results of the facility with a focus on resident health and safety.

Each Mission Critical Long-Term Care Team established by the Commissioner of Health is to comprise four individuals with relevant expertise in long-term care administration and management, financial management, nursing care, infection prevention, social work, quality improvement, safety, and continuing professional education.

The commissioner will establish specific indicators by which a long-term care facility may be evaluated for: operational and financial soundness, and the thresholds at which it may be considered to be in operational or financial distress or at risk of operational or financial distress; and the facility's capacity to ensure the rights afforded by State law to residents and to deliver the quality of care required by applicable licensing standards for the facility.

When a survey or inspection conducted, or complaint received, by the Division of Health Facility Survey and Field Operations in the Department of Health (DOH), or by any other individual in the DOH, identifies a facility at risk based on any of the indicators established by the commissioner, the commissioner may dispatch a Mission Critical Long-Term Care Team to evaluate the facility and advise the facility as to any corrective measures it should take to resolve any identified issues. The commissioner may also dispatch a Mission Critical Long-Term Care Team at the request of facility management.

The bill requires that any facility to which a Mission Critical Long-Term Care Team is dispatched cooperate with the team, and that the

facility grant both the Mission Critical Long-Term Care Team and the DOH access to all physical plant operations and locations and to all financial, operational, and programmatic information requested thereby.

FISCAL IMPACT:

The Office of Legislative Services (OLS) notes that this bill codifies the Mission Critical LongTerm Care Team program, which received \$500,000 in funding pursuant to the FY 2023 Appropriations Act. The OLS concludes that the funding included in the FY 2023 Appropriations Act is sufficient for the Department of Health to fulfill the requirements established pursuant to this bill in the first year following the bill's effective date.

The OLS also determines that the State will incur additional costs of at least \$500,000 in subsequent fiscal years, in order to provide salary and benefits for the four employees staffing the initial Mission Critical Long-Term Care Team. A portion of these costs will also be for the ongoing administrative costs of the program.

The State's nine county-operated nursing homes may face increased annual expenditures under the bill, to the extent that one or more facilities may be required to implement corrective measures recommended by the Mission Critical Long-Term Care Team.