

ASSEMBLY CHILDREN, FAMILIES, AND FOOD SECURITY COMMITTEE

STATEMENT TO ASSEMBLY, No. 4799

with committee amendments

STATE OF NEW JERSEY

DATED: MAY 7, 2026

The Assembly Children, Families, and Food Security Committee reports favorably and with committee amendments Assembly Bill No. 4799.

As amended, the bill amends the "Healthy Small Food Retailer Act" (the act) to newly allow retail pharmacies to participate in the program to market and sell healthy foods in rural and urban, low and moderate income areas. The bill's amendments permit, to the extent allowable under the State's federally-approved Medicaid waiver, NJ FamilyCare enrollees who have been diagnosed with certain diet-related medical conditions to fill food prescriptions from licensed health care providers at small food retailers and retail pharmacies that participate in the "Healthy Corner Store and Retail Pharmacy Program" (the program). The amended bill defines "diet-related medical condition" to mean Type II diabetes, hypertension, or obesity. This NJ FamilyCare benefit will be designed to reduce overall NJ FamilyCare expenditures through improved management of diet-related conditions.

Retail pharmacies must become authorized Medicaid providers in order to fill food prescriptions for eligible NJ FamilyCare enrollees.

Under the bill, as amended, a food prescription includes: fresh fruits, fresh vegetables, culturally-appropriate staple foods, nutritional supplements as identified by the Commissioner of Human Services in consultation with the Commissioner of Health, and other medically-appropriate grocery items as identified by the Commissioner of Human Services in consultation with the Commissioner of Health. The bill provides that, in implementing this food prescription benefit, the Department of Human Services (department) will prioritize partnerships with local farmers and food suppliers, to the extent practicable.

Where practicable and permissible under federal and State law, the department will engage community-based organizations and community health workers to provide educational resources for program participants, encourage compliance, and facilitate access to prescribed foods.

The Commissioner of Human Services will monitor the number of food prescriptions written for, and filled by, NJ FamilyCare enrollees who are prescribed healthy foods by a licensed health care provider, health outcomes for these enrollees, and any improvements in access to healthy foods for NJ FamilyCare enrollees who participate in the program.

In implementing the program, the department will incorporate program integrity safeguards, including eligibility verification, utilization review, and periodic audits to prevent waste, fraud, and abuse.

The amended bill further amends the act to provide that retail pharmacies, in addition to corner store owners, may receive financial assistance from the Healthy Small Food Retailers Fund for refrigeration, display shelving, or other equipment necessary to stock healthy foods and fresh produce, and increases the amount that each participating small food retailer or retail pharmacy may receive to offset such costs from \$5,000 to \$6,000. Retail pharmacies will also be eligible to receive mini-grants of up to \$100 to cover the up-front costs to participate in the program.

The amended bill directs the department to annually report to the Governor and to the Legislature concerning the number of food prescriptions dispensed to NJ FamilyCare enrollees via the program, health outcomes for these NJ FamilyCare enrollees, State costs to prescribe foods for NJ FamilyCare enrollees under the program, and any reduction in overall Medicaid expenditures from the use of food prescriptions.

The bill, as amended, appropriates \$500,000 from the General Fund to the department to implement the provisions therein.

COMMITTEE AMENDMENTS:

The committee amended the bill's title to remove references to supplementing Title 30 of the Revised Statutes.

The committee amendments remove section 9 of the bill and shift the provisions of the former section 9 to section 5, thereby establishing NJ FamilyCare coverage for food prescriptions, filled for an eligible NJ FamilyCare enrollee at a retail pharmacy, under the "Healthy Corner Store and Retail Pharmacy Program."

The committee amendments renumbered certain sections of the bill.