

[Second Reprint]

ASSEMBLY, No. 5425

STATE OF NEW JERSEY
218th LEGISLATURE

INTRODUCED MAY 20, 2019

Sponsored by:

Assemblyman JOHN ARMATO

District 2 (Atlantic)

Assemblyman ANTHONY S. VERRELLI

District 15 (Hunterdon and Mercer)

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District 2 (Atlantic)

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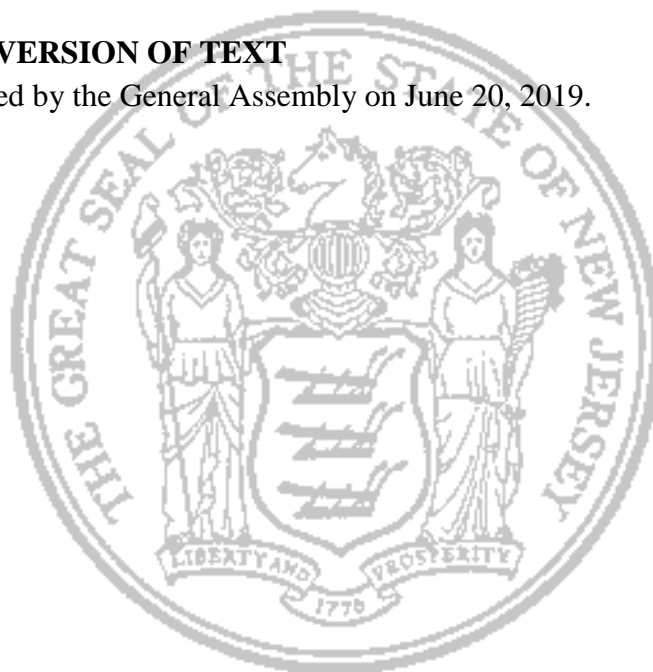
Assemblywoman Jones

SYNOPSIS

Prohibits certain substance use disorder treatment facilities from paying fees, commissions, or rebates to any person to refer patients to facility.

CURRENT VERSION OF TEXT

As amended by the General Assembly on June 20, 2019.



(Sponsorship Updated As Of: 6/28/2019)

1 AN ACT concerning referrals to ¹**[health care services]** substance
 2 use disorder treatment facilities¹ and supplementing Title 26 of
 3 the Revised Statutes.

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

7
 8 1. ²**[No]** a. Except as provided in subsection b. of this section,
 9 no² ¹[health care] substance use disorder treatment¹ facility
 10 ¹[licensed pursuant to P.L.1971, c.136 (C.26:2H-1 et seq.)]
 11 approved and licensed in accordance with section 8 of P.L.1975,
 12 c.305 (C.26:2B-14)¹ shall pay or otherwise furnish any fee,
 13 commission, or rebate to any person to refer patients to the facility
 14 for ¹[health care] substance use disorder¹ treatment or services.
 15 Each violation of the provisions of this section shall be punishable
 16 by a civil penalty of up to \$25,000, which shall be collected and
 17 enforced by the Commissioner of ¹[Health] Human Services¹ in a
 18 summary proceeding pursuant to the "Penalty Enforcement Law of
 19 1999," P.L.1999, c.274 (C.2A:58-10 et seq.). ¹[Payments made
 20 pursuant to a hospital and physician incentive payment plan
 21 approved by the Department of Health pursuant to P.L.2017, c.46
 22 (C.26:2H-12.80 et seq.) shall not constitute a violation of this
 23 section.]¹

24 ²b. The penalties imposed pursuant to subsection a. of this
 25 section shall not apply to a fee, commission, or rebate that does not
 26 vary based on:

27 (1) the number of patients referred to a substance use disorder
 28 treatment facility;

29 (2) the duration, level, volume, or nature of the treatment
 30 services provided to a patient; or

31 (3) the amount paid by a carrier to a substance use disorder
 32 treatment facility for treatment or services provided to a patient.²

33
 34 ¹2. ²**[No]** Except as provided in subsection b. of this section,
 35 no² substance use disorder treatment facility issued a certificate of
 36 approval pursuant to P.L.1970, c.334 (C.26:2G-21 et seq.) shall pay
 37 or otherwise furnish any fee, commission, or rebate to any person to
 38 refer patients to the facility for substance use disorder treatment or
 39 services. Each violation of the provisions of this section shall be
 40 punishable by a civil penalty of up to \$25,000, which shall be
 41 collected and enforced by the Commissioner of Human Services in
 42 a summary proceeding pursuant to the "Penalty Enforcement Law
 43 of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).¹

44 ²b. The penalties imposed pursuant to subsection a. of this

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly ALP committee amendments adopted June 6, 2019.

²Assembly floor amendments adopted June 20, 2019.

1 section shall not apply to a fee, commission, or rebate that does not
2 vary based on:

3 (1) the number of patients referred to a substance use disorder
4 treatment facility;

5 (2) the duration, level, volume, or nature of the substance use
6 disorder treatment services provided to a patient; or

7 (3) the amount of benefits provided by a carrier to a substance
8 use disorder treatment facility for treatment or services provided to
9 a patient.²

10

11 ¹[2.] 3.¹ The Commissioner of ¹[Health] Human Services¹,
12 pursuant to the “Administrative Procedure Act,” P.L.1968, c.410
13 (C.52:14B-1 et seq.), shall adopt rules and regulations to implement
14 the provisions of this act.

15

16 ¹[3.] 4.¹ This act shall take effect immediately.