

**SENATE, No. 1848**

**STATE OF NEW JERSEY**  
**218th LEGISLATURE**

INTRODUCED FEBRUARY 15, 2018

**Sponsored by:**

**Senator SHIRLEY K. TURNER**

**District 15 (Hunterdon and Mercer)**

**SYNOPSIS**

Eliminates requirement to be without health insurance for three months prior to enrolling in NJ FamilyCare.

**CURRENT VERSION OF TEXT**

As introduced.



1 AN ACT concerning waiting periods for NJ FamilyCare and  
2 amending P.L.2005, c.156.

3

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

6

7 1. Section 5 of P.L.2005, c.156 (C.30:4J-12) is amended to  
8 read as follows:

9 5. a. The purpose of the program shall be to provide  
10 subsidized health insurance coverage, and other health care benefits  
11 as determined by the commissioner, to children under 19 years of  
12 age and their parents or caretakers and to adults without dependent  
13 children, within the limits of funds appropriated or otherwise made  
14 available for the program.

15 The program shall require families to pay copayments and make  
16 premium contributions, based upon a sliding income scale. The  
17 program shall include the provision of well-child and other  
18 preventive services, hospitalization, physician care, laboratory and  
19 x-ray services, prescription drugs, mental health services, and other  
20 services as determined by the commissioner.

21 b. The commissioner shall take such actions as are necessary to  
22 implement and operate the program in accordance with the State  
23 Children's Health Insurance Program established pursuant to 42  
24 U.S.C.s.1397aa et seq.

25 c. The commissioner:

26 (1) shall, by regulation, establish standards for determining  
27 eligibility and other program requirements, including, but not  
28 limited to, restrictions on voluntary disenrollments from existing  
29 health insurance coverage;

30 (2) shall require that a parent or caretaker who is a qualified  
31 applicant purchase coverage, if available, through an employer-  
32 sponsored health insurance plan which is determined to be cost-  
33 effective and is approved by the commissioner, and shall provide  
34 assistance to the qualified applicant to purchase that coverage,  
35 except that the provisions of this paragraph shall not be construed to  
36 require an employer to provide health insurance coverage for any  
37 employee or employee's spouse or dependent child;

38 (3) may, by regulation, establish plans of coverage and benefits  
39 to be covered under the program, except that the provisions of this  
40 section shall not apply to coverage for medications used exclusively  
41 to treat AIDS or HIV infection; and

42 (4) shall establish, by regulation, other requirements for the  
43 program, including, but not limited to, premium payments and  
44 copayments, and may contract with one or more appropriate  
45 entities, including managed care organizations, to assist in

**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.**

1 administering the program. The period for which eligibility for the  
2 program is determined shall be the maximum period permitted  
3 under federal law.

4 d. The commissioner shall establish procedures for determining  
5 eligibility, which shall include, at a minimum, the following  
6 enrollment simplification practices:

7 (1) A streamlined application form as established pursuant to  
8 subsection k. of this section;

9 (2) Require new applicants to submit one recent pay stub from  
10 the applicant's employer, or, if the applicant has more than one  
11 employer, one from each of the applicant's employers, to verify  
12 income. In the event the applicant cannot provide a recent pay stub,  
13 the applicant may submit another form of income verification as  
14 deemed appropriate by the commissioner. If an applicant does not  
15 submit income verification in a timely manner, before determining  
16 the applicant ineligible for the program, the commissioner shall  
17 seek to verify the applicant's income by reviewing available  
18 Department of the Treasury and Department of Labor and  
19 Workforce Development records concerning the applicant, and such  
20 other records as the commissioner determines appropriate.

21 The commissioner shall establish retrospective auditing or  
22 income verification procedures, such as sample auditing and  
23 matching reported income with records of the Department of the  
24 Treasury and the Department of Labor and Workforce Development  
25 and such other records as the commissioner determines appropriate.

26 In matching reported income with confidential records of the  
27 Department of the Treasury, the commissioner shall require an  
28 applicant to provide written authorization for the Division of  
29 Taxation in the Department of the Treasury to release applicable tax  
30 information to the commissioner for the purposes of establishing  
31 income eligibility for the program. The authorization, which shall  
32 be included on the program application form, shall be developed by  
33 the commissioner, in consultation with the State Treasurer;

34 (3) Online enrollment and renewal, in addition to enrollment  
35 and renewal by mail. The online enrollment and renewal forms  
36 shall include electronic links to other State and federal health and  
37 social services programs;

38 (4) Continuous enrollment;

39 (5) Simplified renewal by sending an enrollee a preprinted  
40 renewal form and requiring the enrollee to sign and return the form,  
41 with any applicable changes in the information provided in the  
42 form, prior to the date the enrollee's annual eligibility expires. The  
43 commissioner shall establish such auditing or income verification  
44 procedures, as provided in paragraph (2) of this subsection; and

45 (6) Provision of program eligibility-identification cards that are  
46 issued no more frequently than once a year.

47 e. The commissioner shall take, or cause to be taken, any  
48 action necessary to secure for the State the maximum amount of

1 federal financial participation available with respect to the program,  
2 subject to the constraints of fiscal responsibility and within the  
3 limits of available funding in any fiscal year. In this regard,  
4 notwithstanding the definition of "qualified applicant," the  
5 commissioner may enroll in the program such children or their  
6 parents or caretakers who may otherwise be eligible for the  
7 Medicaid program in order to maximize use of federal funds that  
8 may be available pursuant to 42 U.S.C. s.1397aa et seq.

9 f. Subject to federal approval, a child shall not be determined  
10 ineligible for the program **[if]** on the basis that the child was  
11 voluntarily disenrolled from employer-sponsored group insurance  
12 coverage or other health insurance plan within **[six months]** any  
13 specified period of time prior to application to the program.

14 g. The commissioner shall provide, by regulation, for  
15 presumptive eligibility for the program in accordance with the  
16 following provisions:

17 (1) A child who presents himself for treatment at a general  
18 hospital, federally qualified or community health center, local  
19 health department that provides primary care, or other State  
20 licensed community-based primary care provider shall be deemed  
21 presumptively eligible for the program if a preliminary  
22 determination by hospital, health center, local health department or  
23 licensed health care provider staff indicates that the child meets  
24 program eligibility standards and is a member of a household with  
25 an income that does not exceed 350% of the poverty level;

26 (2) The provisions of paragraph (1) of this subsection shall also  
27 apply to a child who is deemed presumptively eligible for Medicaid  
28 coverage pursuant to P.L.1968, c.413 (C.30:4D-1 et seq.);

29 (3) The parent or caretaker of a child deemed presumptively  
30 eligible pursuant to this subsection shall be required to submit a  
31 completed application for the program no later than the end of the  
32 month following the month in which presumptive eligibility is  
33 determined;

34 (4) A child shall be eligible to receive all services covered by  
35 the program during the period in which the child is presumptively  
36 eligible; and

37 (5) The commissioner may, by regulation, establish a limit on  
38 the number of times a child may be deemed presumptively eligible  
39 for NJ FamilyCare.

40 h. The commissioner, in consultation with the Commissioner of  
41 Education, shall administer an ongoing enrollment initiative to  
42 provide outreach to children throughout the State who may be  
43 eligible for the program.

44 (1) With respect to school-age children, the commissioner, in  
45 consultation with the Commissioner of Education and the Secretary  
46 of Agriculture, shall develop a form that provides information about  
47 the NJ FamilyCare and Medicaid programs and provides an  
48 opportunity for the parent or guardian who signs the school lunch

1 application form to give consent for information to be shared with  
2 the Department of Human Services for the purpose of determining  
3 eligibility for the programs. The form shall be attached to, included  
4 with, or incorporated into, the school lunch application form.

5 The commissioner, in consultation with the Commissioner of  
6 Education, shall establish procedures for schools to transmit  
7 information attached to, included with, or provided on the school  
8 lunch application form regarding the NJ FamilyCare and Medicaid  
9 programs to the Department of Human Services, in order to enable  
10 the department to determine eligibility for the programs.

11 (2) The commissioner or the Commissioner of Education, as  
12 applicable, shall:

13 (a) make available to each elementary and secondary school,  
14 licensed child care center, registered family day care home, unified  
15 child care agency, local health department that provides primary  
16 care, and community-based primary care provider, informational  
17 materials about the program, including instructions for applying  
18 online or by mail, as well as copies of the program application  
19 form.

20 The entity shall make the informational and application materials  
21 available, upon request, to persons interested in the program; and

22 (b) request each entity to distribute a notice at least annually, as  
23 developed by the commissioner, to households of children attending  
24 or receiving its services or care, informing them about the program  
25 and the availability of informational and application materials. In  
26 the case of elementary and secondary schools, the information  
27 attached to, included with, or incorporated into, the school lunch  
28 application form for school-age children pursuant to this  
29 subparagraph shall be deemed to meet the requirements of this  
30 paragraph.

31 i. Subject to federal approval, the commissioner shall, by  
32 regulation, establish that in determining income eligibility for a  
33 child, any gross family income above 200% of the poverty level, up  
34 to a maximum of 350% of the poverty level, shall be disregarded.

35 j. The commissioner shall establish a NJ FamilyCare coverage  
36 buy-in program through which a parent or caretaker whose family  
37 income exceeds 350% of the poverty level may purchase coverage  
38 under NJ FamilyCare for a child under the age of 19~~],~~ who is  
39 uninsured ~~and was not voluntarily disenrolled from employer-~~  
40 sponsored group insurance coverage within six months prior to  
41 application to the program~~].~~ The program shall be known as NJ  
42 FamilyCare Advantage.

43 The commissioner shall establish the premium and cost sharing  
44 amounts required to purchase coverage, except that the premium  
45 shall not exceed the amount the program pays per month to a  
46 managed care organization under NJ FamilyCare for a child of  
47 comparable age whose family income is between 200% and 350%  
48 of the poverty level, plus a reasonable processing fee.

1 k. The commissioner, in consultation with the Rutgers Center  
2 for State Health Policy, shall develop a streamlined application  
3 form for the NJ FamilyCare and Medicaid programs.

4 1. Subject to federal approval, the Commissioner of Human  
5 Services shall establish a hardship waiver for part or all of the  
6 premium for an eligible child under the NJ FamilyCare program. A  
7 parent or caretaker may apply to the commissioner for a hardship  
8 waiver in a manner and form established by the commissioner. If  
9 the parent or caretaker can demonstrate to the satisfaction of the  
10 commissioner, pursuant to regulations adopted by the  
11 commissioner, that payment of all or part of the premium for the  
12 parent or caretaker's child presents a hardship, the commissioner  
13 shall grant the waiver for a prescribed period of time.

14 (cf: P.L.2008, c.53, s.2)

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16 2. (New section) The Commissioner of Human Services shall  
17 apply for such State plan amendments or waivers as may be  
18 necessary to implement the provisions of this act and to secure  
19 federal financial participation for State Medicaid of NJ FamilyCare  
20 expenditures under the federal Medicaid program or Children's  
21 Health Insurance Program.

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23 3. (New section) The Commissioner of Human Services shall  
24 adopt rules and regulations pursuant to the "Administrative  
25 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to effectuate  
26 the purposes of this act.

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28 4. This act shall take effect on the first day of the seventh  
29 month next following the date of enactment, but the commissioner  
30 may take such anticipatory administrative action in advance thereof  
31 as shall be necessary for the implementation of this act.

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#### STATEMENT

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36 This bill eliminates the current requirement that applicants for  
37 the NJ FamilyCare program must be uninsured for three months  
38 prior to enrollment in the program. Current State statute provides  
39 for a six month waiting period, but federal regulations that became  
40 effective in 2014 required the State to reduce the waiting period to  
41 three months. Under the bill, applicants must still demonstrate that  
42 they do not currently have insurance, but would not be excluded  
43 from the program for the reason that they recently terminated  
44 enrollment in another health insurance plan.