

ASSEMBLY, No. 2873

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED FEBRUARY 20, 2020

Sponsored by:

Assemblyman RONALD S. DANCER

District 12 (Burlington, Middlesex, Monmouth and Ocean)

Assemblywoman VALERIE VAINIERI HUTTLE

District 37 (Bergen)

SYNOPSIS

Requires State to reimburse counties for costs paid for maintenance of county patients in State psychiatric hospitals who are eligible for federal Medicare or Medicaid coverage.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 2/25/2020)

1 AN ACT concerning maintenance of certain patients in State
2 psychiatric facilities and amending P.L.1980, c.8.

3
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6
7 1. Section 1 of P.L.1980, c.8 (C.30:4-68.1) is amended to read
8 as follows:

9 1. In the case of Medicaid and Medicare eligible patients
10 residing in the State psychiatric facilities, the maintenance costs to
11 be paid by the counties shall be satisfied by federal Medicaid or
12 Medicare Part A payments to the State. Should a State psychiatric
13 facility lose its accreditation and subsequently not receive federal
14 Medicaid and Medicare Part A payments, or for any reason fail to
15 receive federal Medicaid or Medicare reimbursement for eligible
16 patients, the counties shall not be liable for the maintenance of
17 Medicaid or Medicare eligible county patients. If a county patient
18 is determined to have been eligible for federal Medicare or
19 Medicaid coverage during a period for which a county has paid for
20 that patient's maintenance, the State shall reimburse the county the
21 amount paid for that period.

22 (cf: P.L.1990, c.73, s.3)

23

24 2. This act shall take effect immediately.

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27 STATEMENT

28

29 This bill requires the State to reimburse counties for costs paid
30 for maintenance of county patients in State psychiatric hospitals
31 who are eligible for federal Medicare or Medicaid coverage.

32 Under current law, counties are not liable for the costs of
33 maintenance of county patient in State psychiatric facilities if those
34 patients are eligible for federal Medicare or Medicaid coverage.
35 However, an audit by the Office of the State Auditor of Ancora
36 Psychiatric Hospital, issued September 3, 2014, identified nearly \$2
37 million in potential revenue from the federal Medicare program that
38 was not claimed by the hospital.

39 The sponsor's intent is to reduce property taxes. Because
40 counties must rely on property tax revenue to pay for their portion
41 of the costs of supporting patients in psychiatric hospitals, reducing
42 the counties' burden may allow counties to reduce property taxes.

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.