

ASSEMBLY, No. 3203

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED FEBRUARY 25, 2020

Sponsored by:

Assemblyman RONALD S. DANCER

District 12 (Burlington, Middlesex, Monmouth and Ocean)

Assemblywoman CAROL A. MURPHY

District 7 (Burlington)

SYNOPSIS

Excludes veterans' benefits from calculation of financial obligation for care at psychiatric facility.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 3/5/2020)

1 **AN ACT** concerning payments for patients in psychiatric facilities
2 and amending R.S.30:4-60.

3

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

6

7 1. R.S.30:4-60 is amended to read as follows:

8 30:4-60. a. If the court shall determine that the person has a
9 mental illness and is in need of treatment at a psychiatric facility, it
10 may determine the legal settlement of the person and, consistent
11 with the laws governing civil commitment and the Rules of Court,
12 direct the admission or hospitalization of the person to the care of
13 the Commissioner of Human Services for treatment in a psychiatric
14 facility, short-term care facility, or special psychiatric hospital in
15 this State.

16 b. If the Department of Human Services determines that the
17 person has a developmental disability and is eligible for functional
18 services from the Division of Developmental Disabilities, the
19 department, using a formula of financial ability to pay as
20 promulgated annually by the Department of the Treasury, shall
21 determine if the person with a developmental disability has
22 sufficient income, assets, resources, or estate to pay for the person's
23 maintenance as fixed by the department, or is able to make any
24 payment towards the person's maintenance, or if the person's
25 chargeable relatives or other persons chargeable by contract are able
26 to pay the person's maintenance or make any payment toward the
27 person's maintenance on the person's behalf. The department shall
28 determine the legal settlement of the developmentally disabled
29 person pursuant to section 86 of P.L.1965, c.59 (C.30:4-165.3).

30 The department shall send written notice of the periodic payment
31 amount to the person or the person's parent or guardian, chargeable
32 relative, or other person chargeable by contract for the person's
33 support. All required payments shall be made directly to the
34 department unless otherwise specified in the notice. The notice
35 may, in the discretion of the department, contain such direction as
36 may seem proper concerning security to be given for the payment.
37 The payment notice shall be separate and independent of any order
38 of commitment to the care and custody of the commissioner or any
39 order of guardianship.

40 The department shall annually review and revise, as appropriate,
41 its payment calculations. If the financial circumstances of the
42 person or persons chargeable by law or contract for the support of
43 the developmentally disabled person change prior to the annual
44 review, the chargeable person or persons shall immediately notify
45 the department in writing.

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 c. (1) A person with mental illness who is 18 years of age or
2 older and is being treated in a psychiatric facility as defined in
3 section 2 of P.L.1987, c.116 (C.30:4-27.2) shall be liable for the full
4 cost of the person's treatment, maintenance, and all necessary and
5 related expenses of the person's hospitalization until the person is
6 determined to be ineligible for or has exhausted any third party
7 insurance benefits or medical assistance program that will pay an
8 amount toward the facility's bill. The obligation by the person with
9 mental illness for the remainder of the facility's bill, after the credit
10 for all available third party insurance payments or medical
11 assistance program payment, will be in an amount based upon the
12 sliding scale fee schedule established for charity care pursuant to
13 subsection b. of section 10 of P.L.1992, c.160 (C.26:2H-18.60). In
14 calculating the obligation pursuant to this subsection, the person's
15 income shall not include veterans' benefits the person receives.

16 (2) The obligation of the parent of a person with mental illness
17 under the age of 18 for the remainder of the facility's bill shall be
18 based upon the lesser of the sliding scale fee schedule established
19 for charity care pursuant to subsection b. of section 10 of P.L.1992,
20 c.160 (C.26:2H-18.60), or the formula of financial ability to pay as
21 promulgated annually by the Department of the Treasury pursuant
22 to subsection b. of this section.

23 (3) A person with mental illness or a person responsible under a
24 court order for the cost of care and maintenance of a person with
25 mental illness who, without good cause, (a) refuses to submit
26 information and authorizations sufficient to enable the facility to
27 access any available third-party payer, or (b) refuses to apply for
28 public medical assistance for which the person with mental illness
29 may be eligible, shall be responsible for the full cost of the person's
30 care and maintenance at the facility without the application of the
31 criteria set forth in paragraphs (1) and (2) of this subsection.

32 (4) Based upon the criteria set forth in paragraphs (1) and (2) of
33 this subsection, the Department of Human Services or county
34 adjuster in the county of settlement, as applicable, shall make a
35 determination of the amount the person with mental illness who is
36 18 years of age or older, or the parent of a person with mental
37 illness under the age of 18, shall be liable to contribute toward the
38 cost of the person's treatment, maintenance, and all necessary and
39 related expenses of the person's hospitalization. The liability may
40 be enforced by the Commissioner of Human Services in the manner
41 set forth in section 1 of P.L.1962, c.207 (C.30:4-75.1).

42 (5) In the case of a person with mental illness who is married,
43 the department shall establish a spousal share of the combined
44 assets of the couple that shall be preserved for the
45 noninstitutionalized spouse and immune from execution to satisfy
46 the person's liability to contribute toward the cost of treatment,
47 maintenance, and all necessary and related expenses of the person's
48 hospitalization. In order to determine the spousal share of the

1 combined assets to be preserved, the Commissioner of Human
2 Services shall employ the same methodology used by the State
3 Medicaid program to determine the resources that are preserved for
4 the needs of the community spouse of an institutionalized individual
5 in accordance with N.J.A.C.10:71-4.8.

6 (6) The Commissioner of Human Services shall act on any
7 request by a person with mental illness who is 18 years of age or
8 older, or the parent of a person with mental illness under the age of
9 18, to compromise for settlement of the obligation established
10 pursuant to this section. With respect to the request, the
11 commissioner shall allow the person or parent to retain adequate
12 funds to:

13 (a) maintain the person's or parent's housing and usual standard
14 of living in the community;

15 (b) provide for any necessary medical expenses or special needs;

16 (c) support any minor, disabled, elderly, or other dependent;

17 (d) establish a trust to ensure future self-sufficiency; or

18 (e) provide for any other genuine financial needs.

19 Requests to compromise for settlement of the obligation shall be
20 liberally granted by the commissioner and shall promote the
21 person's or the person's parent's opportunity to obtain and maintain
22 employment, purchase property, both real and personal, and achieve
23 full reintegration into the community, as applicable. The
24 commissioner shall ensure that all persons and parents are notified
25 of their right to request a compromise and the procedure for doing
26 so.

27 (cf: P.L.2013, c.253, s.12)

28
29 2. This act shall take effect immediately.

30 31 32 STATEMENT

33
34 This bill amends R.S.30:4-60 to exclude veterans' benefits from
35 income for the purpose of calculating the financial obligation for
36 care in a psychiatric facility, which is defined as a State psychiatric
37 hospital listed in R.S.30:1-7, county psychiatric hospital, or
38 psychiatric unit of a county hospital.

39 Currently, subsection c. of R.S.30:4-60, which was added by
40 P.L.2005, c.55, provides that the financial obligation of an adult
41 with mental illness, after taking a credit for all available third party
42 insurance or medical assistance program payments, is based on the
43 sliding scale fee schedule established for charity care under section
44 10 of P.L.1992, c.160 (C.26:2H-18.60).

45 Under the bill, veterans' benefits the person receives would be
46 excluded from income when calculating the adult's obligation for
47 psychiatric care using the sliding scale fee for charity care.