

ASSEMBLY, No. 4238

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED JUNE 8, 2020

Sponsored by:

Assemblyman NICHOLAS CHIARAVALLOTI

District 31 (Hudson)

Assemblyman GARY S. SCHAER

District 36 (Bergen and Passaic)

Assemblyman DANIEL R. BENSON

District 14 (Mercer and Middlesex)

Co-Sponsored by:

Assemblywomen Murphy and Downey

SYNOPSIS

Establishes minimum Medicaid reimbursement rate for adult medical day care services.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 3/8/2021)

1 AN ACT concerning Medicaid reimbursement for providers of adult
2 medical day care services and supplementing Title 30 of the
3 Revised Statutes.

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

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8 1. a. Notwithstanding the provisions of any law or regulation
9 to the contrary, the per diem reimbursement rate for providers of
10 adult medical day care services within the Medicaid program,
11 established pursuant to P.L.1968, c.413 (C.30:4D-1 et seq.),
12 whether the services are provided in the Medicaid fee-for-service
13 delivery system or through a managed care delivery system, shall be
14 no less than the established State Medicaid fee-for-service rate.

15 b. As used in this section:

16 “Provider of adult medical day care services” means an adult day
17 health services facility licensed by the Department of Health, which
18 provides preventive, diagnostic, therapeutic, and rehabilitative
19 services under medical and nursing supervision to meet the needs of
20 functionally impaired adult participants for a period of time that
21 does not exceed 12 hours during any calendar day.

22

23 2. A managed care organization contracted with the Division of
24 Medical Assistance and Health Services within the Department of
25 Human Services to provide benefits under the Medicaid program,
26 established pursuant to P.L.1968, c.413 (C.30:4D-1 et seq.), shall
27 not terminate or modify an existing provider network contract
28 solely due to a change of provider ownership or ownership
29 structure.

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31 3. This act shall take effect on July 1, 2020 and shall apply to
32 services provided on or after the effective date of this act and to any
33 Medicaid managed care contract executed or renewed on or after
34 the effective date of this act, except that the provisions of section 2.
35 of this act shall take effect immediately.

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STATEMENT

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40 This bill establishes a minimum Medicaid reimbursement rate for a
41 provider of adult medical day care services. As defined under the
42 bill, “provider of adult medical day care services” means an adult
43 day health services facility licensed by the Department of Health,
44 which provides preventive, diagnostic, therapeutic, and
45 rehabilitative services under medical and nursing supervision to
46 meet the needs of functionally impaired adult participants for a
47 period of time that does not exceed 12 hours during any calendar
48 day.

1 Under the bill, whether the services are provided in the Medicaid
2 fee-for-service (FFS) delivery system or through a managed care
3 delivery system, the per diem reimbursement rate is required to be
4 no less than the established State Medicaid FFS rate. Currently, the
5 FY 2020 annual Appropriations Act (P.L.2019, c.150) sets forth the
6 FFS rate at \$78.50 per day.

7 The bill also prohibits a managed care organization contracted to
8 provide benefits under the Medicaid program from terminating or
9 modifying an existing provider network contract solely due to a
10 change of provider ownership or ownership structure.

11 The bill would take effect on July 1, 2020 and apply to services
12 provided on or after the effective date of bill and to any Medicaid
13 managed care contract executed or renewed on or after the effective
14 date of the bill, except that the provisions of the bill prohibiting a
15 Medicaid managed care organization from terminating or modifying
16 an existing provider network contract under certain circumstances
17 would take effect immediately.