

ASSEMBLY, No. 5722

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED MAY 17, 2021

Sponsored by:

Assemblywoman JOANN DOWNEY

District 11 (Monmouth)

SYNOPSIS

Establishes annual cost of living adjustment based on Consumer Price Index for programs providing mental health, substance use treatment, or services to persons with developmental disabilities.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning certain social services programs and
2 supplementing Chapter 4B of Title 30 of the Revised Statutes.

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

6
7 1. a. Notwithstanding any other provision of law to the
8 contrary, the terms of a contract entered into between the Divisions
9 of Mental Health and Addiction Services and Developmental
10 Disabilities in the Department of Human Services and a program
11 providing mental health services, substance use treatment services,
12 or services to persons with developmental disabilities on or after the
13 effective date of this act shall include an annual increase in the cost
14 of living adjustment received by the organization. The cost of
15 living adjustment shall be based on the Consumer Price Index for
16 the previous 12-month period beginning October 1 and ending
17 September 30, as published by the United States Department of
18 Labor.

19 b. On October 1 of each year, the department shall announce
20 the rate of the increase in the cost of living adjustment received by a
21 program providing mental health services, substance use treatment
22 services, or services to persons with developmental disabilities
23 pursuant to subsection a. of this section.

24 c. As used in this section, a program providing mental health
25 services, substance use treatment services, or services to persons
26 with developmental disabilities shall include State Medicaid funded
27 programs licensed or approved by the Commissioner of Human
28 Services that provide emergency, crisis, and residential services and
29 programs that provide case management services and outpatient
30 services to persons with serious mental illness, substance use
31 disorders, or developmental disabilities.

32
33 2. The Commissioner of Human Services, pursuant to the
34 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
35 seq.), shall adopt rules and regulations to effectuate the purposes of
36 this act.

37
38 3. This act shall take effect immediately.

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41 STATEMENT

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43 This bill stipulates that on or after the effective date of the bill,
44 the terms of a contract entered into between the Divisions of Mental
45 Health and Addiction Services and Developmental Disabilities in
46 the Department of Human Services (DHS) and a program providing
47 mental health services, substance use treatment services, or services
48 to persons with developmental disabilities include an annual

1 increase in the cost of living adjustment received by the
2 organization.

3 The cost of living adjustment would be based on the Consumer
4 Price Index for the previous 12-month period beginning October 1
5 and ending September 30, as published by the United States
6 Department of Labor, and the DHS would be required to announce
7 the rate of the increase on October 1 of each year.

8 As used in the bill, a program providing mental health services,
9 substance use treatment services, or services to persons with
10 developmental disabilities shall include State Medicaid funded
11 programs licensed or approved by the Commissioner of Human
12 Services that provide emergency, crisis, and residential services and
13 programs that provide case management services and outpatient
14 services to persons with serious mental illness, substance use
15 disorders, or developmental disabilities.