

SENATE HEALTH, HUMAN SERVICES AND SENIOR CITIZENS COMMITTEE

STATEMENT TO

SENATE, No. 51

with committee amendments

STATE OF NEW JERSEY

DATED: JANUARY 27, 2020

The Senate Health, Human Services and Senior Citizens Committee reports favorably and with committee amendments Senate Bill No. 51.

As amended by the committee, the bill establishes the “Impact of Medicaid Personal Care Services Reimbursement Change on Nursing Homes Study Commission,” to analyze the effects of the adjustment to the Medicaid hourly reimbursement rate for personal care services within the Medicaid program, resulting from the enactment of P.L.2017, c.239 (C.30:4D-7n and 30:4D-7o), as well as the revisions to that law adopted pursuant to P.L.2019, c.275 and any corresponding appropriations, on nursing homes in the State. Specifically, the commission is to analyze the effects of the increase in the hourly reimbursement rate on the operations, ability to comply with any minimum staffing requirements, employee retention, financial health, resident costs, and related issues on nursing homes in the State, including whether any nursing homes closed following the effective date of P.L.2017, c.239 or the enactment of P.L.2019, c.275 and the reasons for any closures. The bill requires that the commission solicit data or information from nursing homes in the State or other entities, as is necessary to carry out its duties.

The study commission is to consist of nine members as follows: the Commissioners of Human Services and Health, or their commissioner’s designee; one member of the public with expertise in State Medicaid policy and healthcare finance, who will be appointed by the Minority Leader of the General Assembly; one member of the public with expertise in State fiscal and budgetary matters, who will be appointed by the President of the Senate; and five members of the public with significant operational, financial, or managerial expertise in the nursing home industry, three of whom are to be representatives of entities currently operating one or more nursing homes in the State, two of whom will be appointed by the Speaker of the General Assembly, two of whom will be appointed by the Minority Leader of the Senate, and one of whom will be appointed by the Governor.

The bill requires that the study commission prepare and submit a written report to the Governor and the Legislature not later than 12 months after its initial meeting. The report is to present the commission's analysis of the effect of the enactment of P.L.2017, c.239 (C.30:4D-7n through 30:4D-7o), as amended by P.L.2019, c.275, on nursing homes in the State, as well as any recommendations for legislation or other action the commissioner deems appropriate. The bill provides that the study commission is to expire on the first day of the third month following submission of its written report to the Governor and the Legislature.

This bill was pre-filed for introduction in the 2020-2021 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

COMMITTEE AMENDMENTS

The committee amendments update the scope of the study commission's review to reflect the enactment of P.L.2019, c.275.

The committee amendments add language authorizing the chairperson of the study commission to appoint a secretary, clarifying that the commission will meet at times designated by the chair, specifying that the Department of Human Services will provide staff and administrative support to the commission, and making technical clarifications concerning the work of the commission.

The committee amendments make technical changes to the effective date of the bill to reflect that the study commission is to expire on the first day of the third month following the submission of the commission's report and also make various changes involving grammar and syntax.