

SENATE HEALTH, HUMAN SERVICES AND SENIOR CITIZENS COMMITTEE

STATEMENT TO

SENATE, No. 1049

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 10, 2021

The Senate Health, Human Services and Senior Citizens Committee reports favorably and with committee amendments Senate Bill No. 1049.

As amended by the committee, this bill establishes a standard medical expense deduction for elderly and disabled persons under the New Jersey Supplemental Nutrition Assistance Program (NJ SNAP). Specifically, this bill requires the Division of Family Development in the Department of Human Services to implement a standard medical expense deduction for the purposes of determining income eligibility under the NJ SNAP for any household which includes a senior citizen.

Specifically, the bill requires the Division of Family Development in the Department of Human Services to implement a standard medical expense deduction for the purposes of determining income eligibility under NJ SNAP for any household that includes an elderly or disabled person, if the division determines, based on the results of a required cost-benefit analysis, that implementing the deduction will have no significant negative impact to other SNAP households.

The bill provides that “elderly or disabled person” means the same as is provided under the federal law establishing the SNAP program.

Under the bill, a household that includes an elderly or disabled person is entitled to a standard medical expense deduction in an amount agreed upon by the Department of Human Services and the United States Department of Agriculture, provided that the amount of actual costs of allowable medical expenses incurred by the elderly or disabled person per month, exclusive of special diets, is equal to or greater than \$35 and does not include any expenses paid on behalf of the household by a third party. If the actual costs of allowable medical expenses incurred by the elderly or disabled person for a month, exclusive of special diets, is greater than the established standard medical deduction, then the medical expense deduction is to be equal to the amount of those actual costs.

Under the bill, allowable medical expenses means an allowable medical expense as defined in 7 U.S.C. s.2012(c), which includes expenditures for: (1) medical and dental care; (2) hospitalization or

nursing care; (3) prescription drugs when prescribed by a licensed practitioner authorized under State law and over-the-counter medication, including insulin, when approved by a licensed practitioner or other qualified health professional; (4) health and hospitalization insurance policies; (5) Medicare premiums; (6) dentures, hearing aids, and prosthetics; (7) eye glasses prescribed by a physician skilled in eye disease or by an optometrist; (8) reasonable costs of transportation necessary to secure medical treatment or services; and (9) maintaining an attendant, homemaker, home health aide, housekeeper, or child care services due to age, infirmity, or illness.

The bill requires the Commissioner of Human Services to apply to the Food and Nutrition Service within the United States Department of Agriculture for any necessary waivers or approvals to implement a standard medical expense deduction under NJ SNAP.

The bill, as amended, will take effect no later than the beginning of federal fiscal year 2022, pending approval from the United States Department of Agriculture, but the Commissioner of Human Services may take anticipatory administrative action in advance of the effective date as is necessary to implement the provisions of the bill.

COMMITTEE AMENDMENTS:

The committee amendments revise the scope of the bill to apply to elderly or disabled persons, as those terms are defined for the purposes of the federal law establishing the SNAP program. As introduced, the bill only applied to senior citizens age 60 or older.

The committee amendments require the Division of Family Services to implement a cost-benefit analysis to determine the effect of implementing the new medical deduction on the benefits available to other SNAP households; the medical deduction will not be implemented if it will result in a reduction in benefits to other SNAP enrollees.

The committee amendments revise the effective date from the start of federal Fiscal Year 2021 to the start of federal Fiscal Year 2022.

The committee amendments make various technical changes to clarify the bill and resolve certain issues related to grammar and syntax.