

SENATE, No. 1275

STATE OF NEW JERSEY
219th LEGISLATURE

INTRODUCED FEBRUARY 10, 2020

Sponsored by:

Senator SHIRLEY K. TURNER

District 15 (Hunterdon and Mercer)

SYNOPSIS

Eliminates requirement to be without health insurance for three months prior to enrolling in NJ FamilyCare.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning waiting periods for NJ FamilyCare and
2 amending P.L.2005, c.156.

3

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

6

7 1. Section 5 of P.L.2005, c.156 (C.30:4J-12) is amended to
8 read as follows:

9 5. a. The purpose of the program shall be to provide
10 subsidized health insurance coverage, and other health care benefits
11 as determined by the commissioner, to children under 19 years of
12 age and their parents or caretakers and to adults without dependent
13 children, within the limits of funds appropriated or otherwise made
14 available for the program.

15 The program shall require families to pay copayments and make
16 premium contributions, based upon a sliding income scale. The
17 program shall include the provision of well-child and other
18 preventive services, hospitalization, physician care, laboratory and
19 x-ray services, prescription drugs, mental health services, and other
20 services as determined by the commissioner.

21 b. The commissioner shall take such actions as are necessary to
22 implement and operate the program in accordance with the State
23 Children's Health Insurance Program established pursuant to 42
24 U.S.C.s.1397aa et seq.

25 c. The commissioner:

26 (1) shall, by regulation, establish standards for determining
27 eligibility and other program requirements, including, but not
28 limited to, restrictions on voluntary disenrollments from existing
29 health insurance coverage;

30 (2) shall require that a parent or caretaker who is a qualified
31 applicant purchase coverage, if available, through an employer-
32 sponsored health insurance plan which is determined to be cost-
33 effective and is approved by the commissioner, and shall provide
34 assistance to the qualified applicant to purchase that coverage,
35 except that the provisions of this paragraph shall not be construed to
36 require an employer to provide health insurance coverage for any
37 employee or employee's spouse or dependent child;

38 (3) may, by regulation, establish plans of coverage and benefits
39 to be covered under the program, except that the provisions of this
40 section shall not apply to coverage for medications used exclusively
41 to treat AIDS or HIV infection; and

42 (4) shall establish, by regulation, other requirements for the
43 program, including, but not limited to, premium payments and
44 copayments, and may contract with one or more appropriate
45 entities, including managed care organizations, to assist in

**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 administering the program. The period for which eligibility for the
2 program is determined shall be the maximum period permitted
3 under federal law.

4 d. The commissioner shall establish procedures for determining
5 eligibility, which shall include, at a minimum, the following
6 enrollment simplification practices:

7 (1) A streamlined application form as established pursuant to
8 subsection k. of this section;

9 (2) Require new applicants to submit one recent pay stub from
10 the applicant's employer, or, if the applicant has more than one
11 employer, one from each of the applicant's employers, to verify
12 income. In the event the applicant cannot provide a recent pay stub,
13 the applicant may submit another form of income verification as
14 deemed appropriate by the commissioner. If an applicant does not
15 submit income verification in a timely manner, before determining
16 the applicant ineligible for the program, the commissioner shall
17 seek to verify the applicant's income by reviewing available
18 Department of the Treasury and Department of Labor and
19 Workforce Development records concerning the applicant, and such
20 other records as the commissioner determines appropriate.

21 The commissioner shall establish retrospective auditing or
22 income verification procedures, such as sample auditing and
23 matching reported income with records of the Department of the
24 Treasury and the Department of Labor and Workforce Development
25 and such other records as the commissioner determines appropriate.

26 In matching reported income with confidential records of the
27 Department of the Treasury, the commissioner shall require an
28 applicant to provide written authorization for the Division of
29 Taxation in the Department of the Treasury to release applicable tax
30 information to the commissioner for the purposes of establishing
31 income eligibility for the program. The authorization, which shall
32 be included on the program application form, shall be developed by
33 the commissioner, in consultation with the State Treasurer;

34 (3) Online enrollment and renewal, in addition to enrollment
35 and renewal by mail. The online enrollment and renewal forms
36 shall include electronic links to other State and federal health and
37 social services programs;

38 (4) Continuous enrollment;

39 (5) Simplified renewal by sending an enrollee a preprinted
40 renewal form and requiring the enrollee to sign and return the form,
41 with any applicable changes in the information provided in the
42 form, prior to the date the enrollee's annual eligibility expires. The
43 commissioner shall establish such auditing or income verification
44 procedures, as provided in paragraph (2) of this subsection; and

45 (6) Provision of program eligibility-identification cards that are
46 issued no more frequently than once a year.

47 e. The commissioner shall take, or cause to be taken, any
48 action necessary to secure for the State the maximum amount of

1 federal financial participation available with respect to the program,
2 subject to the constraints of fiscal responsibility and within the
3 limits of available funding in any fiscal year. In this regard,
4 notwithstanding the definition of "qualified applicant," the
5 commissioner may enroll in the program such children or their
6 parents or caretakers who may otherwise be eligible for the
7 Medicaid program in order to maximize use of federal funds that
8 may be available pursuant to 42 U.S.C. s.1397aa et seq.

9 f. Subject to federal approval, a child shall not be determined
10 ineligible for the program **[if]** on the basis that the child was
11 voluntarily disenrolled from employer-sponsored group insurance
12 coverage or other health insurance plan within **[six months]** any
13 specified period of time prior to application to the program.

14 g. The commissioner shall provide, by regulation, for
15 presumptive eligibility for the program in accordance with the
16 following provisions:

17 (1) A child who presents himself for treatment at a general
18 hospital, federally qualified or community health center, local
19 health department that provides primary care, or other State
20 licensed community-based primary care provider shall be deemed
21 presumptively eligible for the program if a preliminary
22 determination by hospital, health center, local health department or
23 licensed health care provider staff indicates that the child meets
24 program eligibility standards and is a member of a household with
25 an income that does not exceed 350% of the poverty level;

26 (2) The provisions of paragraph (1) of this subsection shall also
27 apply to a child who is deemed presumptively eligible for Medicaid
28 coverage pursuant to P.L.1968, c.413 (C.30:4D-1 et seq.);

29 (3) The parent or caretaker of a child deemed presumptively
30 eligible pursuant to this subsection shall be required to submit a
31 completed application for the program no later than the end of the
32 month following the month in which presumptive eligibility is
33 determined;

34 (4) A child shall be eligible to receive all services covered by
35 the program during the period in which the child is presumptively
36 eligible; and

37 (5) The commissioner may, by regulation, establish a limit on
38 the number of times a child may be deemed presumptively eligible
39 for NJ FamilyCare.

40 h. The commissioner, in consultation with the Commissioner of
41 Education, shall administer an ongoing enrollment initiative to
42 provide outreach to children throughout the State who may be
43 eligible for the program.

44 (1) With respect to school-age children, the commissioner, in
45 consultation with the Commissioner of Education and the Secretary
46 of Agriculture, shall develop a form that provides information about
47 the NJ FamilyCare and Medicaid programs and provides an
48 opportunity for the parent or guardian who signs the school lunch

1 application form to give consent for information to be shared with
2 the Department of Human Services for the purpose of determining
3 eligibility for the programs. The form shall be attached to, included
4 with, or incorporated into, the school lunch application form.

5 The commissioner, in consultation with the Commissioner of
6 Education, shall establish procedures for schools to transmit
7 information attached to, included with, or provided on the school
8 lunch application form regarding the NJ FamilyCare and Medicaid
9 programs to the Department of Human Services, in order to enable
10 the department to determine eligibility for the programs.

11 (2) The commissioner or the Commissioner of Education, as
12 applicable, shall:

13 (a) make available to each elementary and secondary school,
14 licensed child care center, registered family day care home, unified
15 child care agency, local health department that provides primary
16 care, and community-based primary care provider, informational
17 materials about the program, including instructions for applying
18 online or by mail, as well as copies of the program application
19 form.

20 The entity shall make the informational and application materials
21 available, upon request, to persons interested in the program; and

22 (b) request each entity to distribute a notice at least annually, as
23 developed by the commissioner, to households of children attending
24 or receiving its services or care, informing them about the program
25 and the availability of informational and application materials. In
26 the case of elementary and secondary schools, the information
27 attached to, included with, or incorporated into, the school lunch
28 application form for school-age children pursuant to this
29 subparagraph shall be deemed to meet the requirements of this
30 paragraph.

31 i. Subject to federal approval, the commissioner shall, by
32 regulation, establish that in determining income eligibility for a
33 child, any gross family income above 200% of the poverty level, up
34 to a maximum of 350% of the poverty level, shall be disregarded.

35 j. The commissioner shall establish a NJ FamilyCare coverage
36 buy-in program through which a parent or caretaker whose family
37 income exceeds 350% of the poverty level may purchase coverage
38 under NJ FamilyCare for a child under the age of 19~~],~~ who is
39 uninsured ~~and was not voluntarily disenrolled from employer-~~
40 sponsored group insurance coverage within six months prior to
41 application to the program~~].~~ The program shall be known as NJ
42 FamilyCare Advantage.

43 The commissioner shall establish the premium and cost sharing
44 amounts required to purchase coverage, except that the premium
45 shall not exceed the amount the program pays per month to a
46 managed care organization under NJ FamilyCare for a child of
47 comparable age whose family income is between 200% and 350%
48 of the poverty level, plus a reasonable processing fee.

1 k. The commissioner, in consultation with the Rutgers Center
2 for State Health Policy, shall develop a streamlined application
3 form for the NJ FamilyCare and Medicaid programs.

4 l. Subject to federal approval, the Commissioner of Human
5 Services shall establish a hardship waiver for part or all of the
6 premium for an eligible child under the NJ FamilyCare program. A
7 parent or caretaker may apply to the commissioner for a hardship
8 waiver in a manner and form established by the commissioner. If
9 the parent or caretaker can demonstrate to the satisfaction of the
10 commissioner, pursuant to regulations adopted by the
11 commissioner, that payment of all or part of the premium for the
12 parent or caretaker's child presents a hardship, the commissioner
13 shall grant the waiver for a prescribed period of time.

14 (cf: P.L.2008, c.53, s.2)

15
16 2. (New section) The Commissioner of Human Services shall
17 apply for such State plan amendments or waivers as may be
18 necessary to implement the provisions of this act and to secure
19 federal financial participation for State Medicaid of NJ FamilyCare
20 expenditures under the federal Medicaid program or Children's
21 Health Insurance Program.

22
23 3. (New section) The Commissioner of Human Services shall
24 adopt rules and regulations pursuant to the "Administrative
25 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to effectuate
26 the purposes of this act.

27
28 4. This act shall take effect on the first day of the seventh
29 month next following the date of enactment, but the commissioner
30 may take such anticipatory administrative action in advance thereof
31 as shall be necessary for the implementation of this act.

32 33 34 STATEMENT

35
36 This bill eliminates the current requirement that applicants for
37 the NJ FamilyCare program must be uninsured for three months
38 prior to enrollment in the program. Current State statute provides
39 for a six month waiting period, but federal regulations that became
40 effective in 2014 required the State to reduce the waiting period to
41 three months. Under the bill, applicants must still demonstrate that
42 they do not currently have insurance, but would not be excluded
43 from the program for the reason that they recently terminated
44 enrollment in another health insurance plan.