

[Third Reprint]

**SENATE, No. 1676**

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**STATE OF NEW JERSEY**  
**219th LEGISLATURE**

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INTRODUCED FEBRUARY 13, 2020

**Sponsored by:**

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**Senator JOSEPH F. VITALE**

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**SYNOPSIS**

Allows hospitals to construct housing and provide wrap-around services for individuals who are homeless or housing insecure.

**CURRENT VERSION OF TEXT**

As reported by the Assembly Health Committee on March 8, 2021, with amendments.

**(Sponsorship Updated As Of: 3/25/2021)**

1 AN ACT concerning hospitals, amending P.L.1992, c.160, and  
2 supplementing P.L.1971, c.136 (C.26:2H-1 et seq.).

3

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

6

7 1. Section 19 of P.L.1992, c.160 (C.26:2H-7a) is amended to  
8 read as follows:

9 19. Notwithstanding the provisions of section 7 of P.L.1971,  
10 c.136 (C.26:2H-7) to the contrary, the following are exempt from  
11 the certificate of need requirement:

12 Community-based primary care centers;

13 Outpatient drug and alcohol services;

14 Hospital-based medical detoxification for drugs and alcohol;

15 Ambulance and invalid coach services;

16 Mental health services which are non-bed related outpatient  
17 services;

18 Residential health care facility services;

19 Dementia care homes;

20 Capital improvements and renovations to health care facilities;

21 Additions of medical/surgical, adult intensive care and adult  
22 critical care beds in hospitals;

23 Inpatient special psychiatric beds used solely for services for  
24 patients with co-occurring mental health and substance use  
25 disorders;

26 Housing and wrap-around services for <sup>1</sup>**the** individuals who  
27 are<sup>1</sup> homeless <sup>1</sup>or housing insecure<sup>1</sup> <sup>3</sup>**provided**<sup>3</sup> pursuant to  
28 section 2 of P.L. , c. (C. ) (pending before the  
29 Legislature as this bill);

30 Replacement of existing major moveable equipment;

31 Inpatient operating rooms;

32 Alternate family care programs;

33 Hospital-based subacute care;

34 Ambulatory care facilities;

35 Comprehensive outpatient rehabilitation services;

36 Special child health clinics;

37 New technology in accordance with the provisions of section 18  
38 of P.L.1998, c.43 (C.26:2H-7d);

39 Transfer of ownership interest except in the case of an acute care  
40 hospital;

41 Change of site for approved certificate of need within the same  
42 county;

43 Additions to vehicles or hours of operation of a mobile intensive  
44 care unit;

**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.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup>Senate SHH committee amendments adopted September 14, 2020.

<sup>2</sup>Senate floor amendments adopted October 29, 2020.

<sup>3</sup>Assembly AHE committee amendments adopted March 8, 2021.

1 Relocation or replacement of a health care facility within the  
 2 same county, except for an acute care hospital;  
 3 Continuing care retirement communities authorized pursuant to  
 4 P.L.1986, c.103 (C.52:27D-330 et seq.);  
 5 Magnetic resonance imaging;  
 6 Adult day health care facilities;  
 7 Pediatric day health care facilities;  
 8 Chronic or acute renal dialysis facilities; and  
 9 Transfer of ownership of a hospital to an authority in accordance  
 10 with P.L.2006, c.46 (C.30:9-23.15 et al.).  
 11 (cf: P.L.2017, c.94, s.1)

12  
 13 2. (New section) a. A general acute care hospital licensed  
 14 pursuant to P.L.1971, c.136 (C.26:2H-1 et seq.) may adopt as part  
 15 of its mission the goal of addressing issues related to homelessness  
 16 'and housing insecurity'<sup>1</sup>. A hospital that chooses to address issues  
 17 related to homelessness 'and housing insecurity'<sup>1</sup> as part of its  
 18 mission pursuant to <sup>1</sup>['subsection a. of']<sup>1</sup> this section shall be  
 19 authorized to construct <sup>1</sup>','rehabilitate, or remediate'<sup>1</sup> housing and  
 20 provide wrap-around services for <sup>1</sup>'individuals who are'<sup>1</sup> homeless  
 21 <sup>1</sup>['persons'] and housing insecure'<sup>1</sup> who are treated at the hospital,  
 22 which wrap-around services may include:

23 (1) referrals to outpatient primary care and behavioral health  
 24 care services;

25 (2) appropriate follow-up care and treatment management  
 26 assistance;

27 (3) assistance identifying and procuring sources of health  
 28 benefits coverage, including, but not limited to, coverage under the  
 29 State Medicaid and NJ FamilyCare programs pursuant to  
 30 P.L.1968, c.413 (C.30:4D-1 et seq.) and P.L.2005, c.156  
 31 <sup>1</sup>['(C.30:4J-1 et al.)'] (C.30:4J-8 et al.)'<sup>1</sup>; and

32 (4) assistance in identifying and accessing appropriate social  
 33 services, including, but not limited to, food, transportation, housing,  
 34 employment, and child care assistance.

35 b. <sup>3</sup>The number of housing units that are constructed,  
 36 rehabilitated, or remediated in a particular municipality pursuant to  
 37 this section shall be subtracted from the total number of affordable  
 38 housing units that may be required in that municipality by the  
 39 Council on Affordable Housing in the Department of Community  
 40 Affairs.<sup>3</sup> Housing for <sup>1</sup>['the'] individuals who are'<sup>1</sup> homeless <sup>1</sup>'or  
 41 housing insecure'<sup>1</sup> constructed <sup>1</sup>','rehabilitated, or<sup>2</sup>['remediated']  
 42 remediated'<sup>2</sup> by a hospital pursuant to subsection a. of this section  
 43 shall be <sup>1</sup>;

44 (1)<sup>1</sup> deemed a permitted use in all residential and nonresidential  
 45 districts of a municipality and shall be exempt from local zoning  
 46 restrictions <sup>1</sup>; and

47 (2) exempt from the Department of Health's health care facility  
 48 licensing requirements, provided that, if wrap-around services

1 provided in connection with the housing are provided in a health  
2 clinic or other comparable health care facility licensed pursuant to  
3 P.L.1971, c.136 (C.26:2H-1 et seq.), the clinic or facility shall  
4 comply with the department's health care facility licensing  
5 requirements<sup>1</sup>.

6 c. Commencing one year after the date a hospital first  
7 constructs <sup>1</sup>, rehabilitates, or remediates<sup>1</sup> housing and begins  
8 providing wrap-around services for <sup>1</sup>["the"] individuals who are<sup>1</sup>  
9 homeless <sup>1</sup>or housing insecure<sup>1</sup> pursuant to subsection a. of this  
10 section, and annually thereafter, the hospital shall report to the  
11 <sup>1</sup>["Legislature, pursuant to section 2 of P.L.1991, c.164 (C.52:14-  
12 19.1),"] the Departments of Health and Human Services<sup>1</sup> concerning  
13 any reductions in the number of <sup>1</sup>["charity care"] inpatient<sup>1</sup>  
14 admissions <sup>1</sup>and emergency department visits<sup>1</sup> at the hospital <sup>1</sup>and  
15 increased usage of preventative care related to the construction,  
16 rehabilitation, or remediation of housing and the provision of wrap-  
17 around services by the hospital to individuals who are homeless and  
18 housing insecure<sup>1</sup> over the previous year. <sup>1</sup>The report shall include  
19 data based on each payer type for inpatient admissions and  
20 emergency department visits, including charity care. A health care  
21 system shall be permitted to submit the report required under this  
22 subsection to the departments on behalf of one or more of the  
23 hospitals that are part of the health care system.

24 d. The Departments of Health and Human Services shall  
25 annually provide to the Legislature an analysis of the reports  
26 submitted to the departments by a hospital or health care system, as  
27 applicable, pursuant to subsection c. of this section <sup>3</sup>for five years  
28 following the effective date of P.L. , c. (C. ) (pending  
29 before the Legislature as this bill). Thereafter, the Departments of  
30 Health and Human Services shall provide the Legislature the  
31 analysis of the reports submitted to the departments by a hospital or  
32 health care system quinquennially<sup>3</sup>.

33 e. As used in this section, "individual who is housing insecure"  
34 means a person: whose housing costs are more than <sup>2</sup>["50"] 30<sup>2</sup>  
35 percent of the person's monthly income; who lives in substandard  
36 or poor quality housing <sup>2</sup>which impacts the person's health and  
37 safety<sup>2</sup> ; who lives in a house or apartment with overcrowded  
38 conditions which impact the person's health and safety; <sup>2</sup>["who lives  
39 in a house or apartment with other individuals or families in order  
40 to share housing costs;]<sup>2</sup> who is experiencing housing instability,  
41 including, but not limited to, periods of living in shelters or hotels  
42 or frequent moves from house to house due to economic reasons; or  
43 who experiences periods of homelessness.<sup>1</sup>

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3. This act shall take effect immediately.