SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 3847

with committee amendments

STATE OF NEW JERSEY

DATED: JANUARY 6, 2022

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 3847, with committee amendments.

As amended, this bill requires the Division of Medical Assistance and Health Services (DMAHS) in the Department of Human Services (DHS) to establish a program under which a family member of an enrollee in Medicaid or NJ FamilyCare or a third-party individual approved by the enrollee's parent or guardian may be certified as certified nursing assistant (CNA) and, under the direction of a registered nurse, provide CNA services to the enrollee through a private duty nursing agency, which services will be subject to an enhanced reimbursement rate. The program established under the bill will apply to enrollees who are under 21 years of age and qualify for private duty nursing services under Medicaid or NJ FamilyCare. The DMAHS will be required to develop an assessment tool that will allow the DMAHS to readily identify enrollees who meet these eligibility criteria.

Under the program, the family member or approved third-party individual will be required to complete all the training, testing, and other qualification criteria as are required under State and federal law for certification as a CNA. The private duty nursing services agency that will employ the family member or approved third-party individual will be required to pay all costs for the family member or approved third-party individual to become certified as a CNA. In no case will the family member or approved third-party individual be required to repay or reimburse the agency for the costs of becoming a CNA.

The tasks delegated by a registered nurse to a family member or approved third-party individual who becomes certified as a certified nursing assistant under the bill are to be consistent with the tasks that may be generally delegated to certified nursing assistants pursuant to the rules of the New Jersey Board of Nursing.

Certified nursing assistant services provided by a family member of a Medicaid or NJ FamilyCare enrollee or an approved third-party individual who becomes certified as a certified nursing assistant under the program will be reimbursed to a private duty nursing agency at a rate of no less than $30 per hour for such time as the enrollee is under 21 years of age.

The DMAHS will be required to establish the program within nine months after the effective date of the bill and after receipt of federal approval for the program. The DHS will be required to apply for State plan amendments and waivers as are necessary to implement the provisions of the bill and to secure federal financial participation for State Medicaid expenditures under the federal Medicaid program.

No later than three years after the program is established, the DMAHS will be required to prepare and submit a report to the Governor and the Legislature concerning the viability of the program and its recommendations related to the program.

COMMITTEE AMENDMENTS:

The committee amendments revise the deadline for the program to be established from six months after the effective date of the bill to nine months after both the effective date of the bill and receipt of federal approval for the program.

The committee amendments clarify that the reimbursement established under the bill for certified nursing assistant services provided by an individual who becomes certified under the program will be reimbursed to the private duty nursing agency.

The committee amendments add a requirement for the Director of the Division of Medical Assistance and Health Services to submit a report to the Governor and the Legislature concerning the viability of the program and the director's recommendations concerning the program.

FISCAL IMPACT:

The Office of Legislative Services concludes that the certified nursing assistant (CNA) program would have an indeterminate impact on annual State expenditures from the General Fund and on State revenues. The fiscal impact will be determined, in part, by the participation in the program by eligible Medicaid and NJ FamilyCare beneficiaries and their families.

If family or third-party CNA hours replace existing private duty nursing hours provided by either a registered nurse or a licensed practical nurse, the State will see a cost savings. Conversely, if CNA hours provided by a family member or third party supplement existing private duty nursing hours, the State would incur higher expenditures, depending on the number of additional hours reimbursed by each party. The net impact of these possible outcomes on annual State expenditures and revenues cannot be determined.

To the extent that additional eligible State Medicaid expenditures are matched by federal Medicaid funds, any additional costs incurred by the State pursuant to the bill would correspond to an increase in State revenues. Lower overall eligible Medicaid-reimbursable costs will result in lower State matching revenues.