ASSEMBLY RESOLUTION No. 198

STATE OF NEW JERSEY
217th LEGISLATURE

INTRODUCED DECEMBER 12, 2016

Sponsored by:
Assemblywoman NANCY J. PINKIN
District 18 (Middlesex)

SYNOPSIS
Urges President and Congress to continue State and federal partnership managing the Medicaid program.

CURRENT VERSION OF TEXT
As introduced.
AN ASSEMBLY RESOLUTION urging the President and the Congress of the United States to continue the partnership which exists between the State and federal government to manage the Medicaid program.

WHEREAS, The Council of State Governments (CSG) is the nation’s only organization serving all three branches of state government. CSG is a region-based forum that fosters the exchange of insights and ideas to help state officials shape public policy. This offers unparalleled regional, national and international opportunities to network, develop leaders, collaborate and create problem-solving partnerships; and

WHEREAS, New Jersey is a part of the CSG’s Eastern Regional Conference, which is comprised of New Jersey and 10 other member states from Maine to Maryland, the U.S. Virgin Islands, Puerto Rico, and five eastern Canadian Provinces; and

WHEREAS, The CSG’s Eastern Regional Conference has adopted a resolution urging the federal Executive and Legislative branches of government to maintain the integrity of the strong state and federal partnership that has been the hallmark of the federal Medicaid program since its inception more than fifty years ago; and

WHEREAS, As a member of CSG’s Eastern Regional Conference, New Jersey strongly supports the continued partnership of the State and the federal government in managing the Medicaid program in New Jersey; and

WHEREAS, The Medicaid program was enacted as Title XIX of the Social Security Act in 1965 by President Lyndon Johnson to provide medical assistance to individuals whose incomes and resources were insufficient to meet the costs of necessary medical services; and

WHEREAS, Federal laws and policies establish a broad framework for the Medicaid program and states are provided flexibility within that framework to design state Medicaid programs which best meet the unique needs of each state to provide all necessary medical services without individual state or national spending caps; and

WHEREAS, New Jersey has designed a Medicaid program that is a unique support system tailored to the needs of New Jersey residents; and

WHEREAS, The Patient Protection and Affordable Care Act of 2010, commonly known as the Affordable Care Act, allowed states to opt to expand income eligibility for Medicaid to 138 percent of the federal poverty level and provided states a federal match for expenditures to cover 100 percent of the state Medicaid costs for this new cohort through calendar year 2016, after which the match will gradually decrease to 90 percent of these costs in calendar year 2020; and
WHEREAS, New Jersey chose to provide this expanded Medicaid coverage to its citizens starting in January 2014 and more than 500,000 New Jersey residents have received health insurance coverage through this new expanded eligibility; and

WHEREAS, In total, over 1.7 million New Jersey residents, or 20 percent of the State’s population, receive their health insurance coverage and gain access to vital health related services through the Medicaid program; and

WHEREAS, New Jersey’s total Medicaid budget equals $17 billion in combined State and federal dollars; and

WHEREAS, In addition to providing access to health insurance for individuals, the Medicaid program provides critical financial resources for health care providers and institutions who care for the underserved, supporting the region’s health care infrastructure through the Medicaid Disproportionate Share Hospital (DSH) program; and

WHEREAS, New Jersey institutions anticipate receiving over $500 million in Medicaid DSH payments in 2016 to support the provision of services to the underserved and develop the region’s health care infrastructure; and

WHEREAS, Like its partner states throughout the eastern region, New Jersey has benefited from the State and federal partnership which manages the Medicaid program; now, therefore

BE IT RESOLVED by the General Assembly of the State of New Jersey:

1. New Jersey, as one of the partner states in the CSG Eastern Regional Conference, strongly supports the continuation of the state and federal partnership managing the Medicaid program in New Jersey and in the nation.

2. The Legislature urges the President and the Congress of the United States to continue the state and federal partnership managing the Medicaid program to ensure the continuation of the provision of health care services to needy New Jersey residents.

3. Copies of this resolution, as filed with the Secretary of State, shall be transmitted by the Clerk of the General Assembly to each member of Congress representing the State of New Jersey, the Commissioner of Health and Human Services, the Chief Administrator of the Centers for Medicare & Medicaid Services, and the President of the United States.
This resolution urges the President and the Congress of the United States to continue the state and federal partnership in managing the Medicaid program and continue a fifty year program providing health care to low-income individuals.

The Medicaid program was enacted as Title XIX of the Social Security Act in 1965 by President Lyndon Johnson to provide medical assistance to individuals whose incomes and resources were insufficient to meet the costs of necessary medical services. Since enactment in 1965 a network of federal laws and policies have provided a broad framework for the Medicaid program. States are provided flexibility within that framework to design state Medicaid programs which best meet the unique needs of each state without individual state or national spending caps. New Jersey, similar to every other State in the nation, has designed a Medicaid program that is a unique support system tailored to the needs of its residents.

The Patient Protection and Affordable Care Act of 2010, commonly known as the Affordable Care Act, allowed states to opt to expand income eligibility for Medicaid to 138 percent of the federal poverty level and provided states a federal match for expenditures to coverage state Medicaid costs for this new cohort which covered 100 percent of the costs of these services through calendar year 2016, which will gradually decrease to 90 percent of these costs in calendar year 2020.

New Jersey chose to provide this expanded Medicaid coverage to its citizens starting in January 2014 and more than 500,000 New Jersey residents have received health insurance coverage through this new expanded eligibility. These newly enrolled individuals brought the total enrollment in Medicaid in New Jersey to 1.7 million people, or approximately 20 percent of the State. The total State and federal cost to administer and run the Medicaid division is $17 billion in 2016.

Additionally, the Medicaid Disproportionate Share Hospital (DSH) program also provides critical financial resources for health care providers and institutions who care for the underserved, supporting the region’s health care infrastructure. New Jersey institutions anticipate receiving over $500 million in Medicaid DSH payments in 2016 to support their provision of services.

It is essential that the partnership between the state and federal government continue to manage the Medicaid program. Supporting this continuation is a regional and national imperative. New Jersey is a member of the Council of State Government’s (CSG) Eastern Regional Conference, which is comprised of New Jersey and 10 other member states from Maine to Maryland, the U.S. Virgin Islands, Puerto Rico, and five eastern Canadian Provinces. The CSG is the nation’s only organization serving all three branches of
state government. The CSG is a region-based forum that fosters the
exchange of insights and ideas to help state officials shape public
policy. This offers unparalleled regional, national and international
opportunities to network, develop leaders, collaborate and create
problem-solving partnerships. Recently, the CSG Eastern Regional
Conference adopted a resolution urging the federal Executive and
Legislative branches of government to maintain the integrity of the
strong state and federal partnership that has been the hallmark of
the federal Medicaid program since its inception more than fifty
years ago.

As a member of CSG’s Eastern Regional Conference, New
Jersey strongly supports the continued partnership of the State and
the federal government in managing the Medicaid program in New
Jersey.