

CHAPTER 332

AN ACT concerning certain health maintenance organization enrollees and supplementing P.L.1973, c.337 (C.26:2J-1 et seq.).

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

C.26:2J-4.21 Certificate of authority to establish, operate health maintenance organization.

1. a. A certificate of authority to establish and operate a health maintenance organization in this State shall not be issued or continued by the Commissioner of Health and Senior Services on or after the effective date of this act unless the health maintenance organization offers health care services in conformance with the provisions of subsection b. of this section.

b. If an enrollee is a resident of a skilled nursing facility, continuing care retirement community or a retirement community which operates a skilled nursing facility on the premises of the community, regardless of whether the health maintenance organization is under contract with the skilled nursing facility or the skilled nursing facility at the continuing care retirement community or retirement community, the enrollee's primary care physician shall refer the enrollee to the skilled nursing facility or the community's Medicare-certified skilled nursing unit, as applicable, rather than to a skilled nursing facility separate from the facility or the community of origin, if:

(1) the skilled nursing facility or the continuing care retirement community or retirement community with a skilled nursing facility has the capacity to provide the services the enrollee needs;

(2) the primary care physician, in consultation with the enrollee or a representative of the enrollee's family, determines that the referral is in the best interest of the enrollee;

(3) the skilled nursing facility or the continuing care retirement community or retirement community with a skilled nursing facility agrees to be reimbursed at the same contract rate negotiated by the health maintenance organization with similar providers for the same services and supplies in the same geographic area; and

(4) the skilled nursing facility or the continuing care retirement community or retirement community with a skilled nursing facility meets all applicable State licensing and certification requirements

c. For the purposes of this act, "continuing care retirement community" means a continuing care facility operating under a certificate of authority issued by the Department of Community Affairs pursuant to P.L.1986, c.103 (C.52:27D-330 et seq.), and "retirement community" means a retirement community which is registered with the Department of Community Affairs pursuant to P.L.1977, c.419 (C.45:22A-21 et seq.).

2. This act shall take effect immediately.

Approved January 10, 2000.