

May 11, 2009

David J. Rosen  
Legislative Budget and Finance Officer  
State House Annex  
PO Box 068  
Trenton, New Jersey 08625-0068

Dear Mr. Rosen:

In response to your letter dated April 17, 2009, please find our answers regarding the questions raised by the Senate Budget and Appropriations Committee members before our hearing on April 15, 2009:

Senator Haines:

- Of the approximately \$188 million identified in the Outstanding Receivables Report, how much is actually collectible?

**Answer:** A significant amount identified on the Outstanding Receivable Report can not be collected for a variety of reasons (e.g., Certain receivables are part of a closed hospital's bankruptcy proceeding, others are due to providers who no longer provide Medicaid Services or are out of business entirely). Division staff is working to determine the true value of outstanding receivables and collect monies owed the State.

Senator Karrow:

- Please provide information as to monies the counties claim the State owes them for mental health services provided during the early 1990s.

**Answer:** The Department has reviewed the county billing data for the State psychiatric hospitals going back to 1991 and found that there is no outstanding debt to the counties for mental health services provided during the 1990s. All billing reconciliations were completed for that period quite some time ago and all amounts owed to the counties were paid and all amounts owed by the counties to the State were likewise settled. The amounts mentioned during the hearing appear to reflect the amount of the reconciling items that were previously settled with the counties.

Senator Pennacchio:

- Please provide information as to the number of clients who receive Community Care Waiver Services who are not Medicaid eligible and what is being done to enroll such persons into the Medicaid program.

**Answer:** A process has been in place for approximately five (5) years to ensure CCW eligibility is discussed with the individual and an application is completed prior to the individual receiving services. Recent efforts to identify individuals receiving services but not waiver eligible show such consumers fall into three broad categories.

- Consumers possess assets over \$2,000.00 (including irrevocable trust funds that do not satisfy the Special Needs Trust exceptions).
- Consumers have monthly earnings (income) over \$2,022.00
- Individuals are uncooperative with completion of the application.

Of these 3 areas, the Division is aggressively looking at situations where an individual or the individual's family (or guardian) has been uncooperative in completing the application. If the consumer remains uncooperative, the matter is being referred to the Assistant Commissioner of DDD for further action.

Finally, it is important to note that individuals receiving only adult day services cannot be added to the waiver without obligating the state through federal entitlement to all services covered in the waiver for which they demonstrate a level of need. Nonetheless, we are actively pursuing Medicaid eligibility, where appropriate, and have begun an aggressive pilot in Morris County.

- Please provide information as to whether monies are provided for salary increases to management personnel.

**Answer:** The last managers' salary increase was provided in FY2008, for those staff in unclassified titles, based on merit. Raises ranged from 0% to 6%. If managers were in classified titles, they would have received increases as stipulated by the union contracts. A limited number of individuals received promotions due to consolidation of management functions and other reorganization actions made to achieve efficiencies necessitated by the hiring freeze.

Sincerely,

Jennifer Velez  
Commissioner

JV:14

cc: R. David Rousseau  
Charlene Holzbour  
Patrick O'Connor  
George LeBlanc  
Rosemary Pramuk