

ASSEMBLY, No. 2483

STATE OF NEW JERSEY 209th LEGISLATURE

INTRODUCED MAY 11, 2000

Sponsored by:

Assemblyman FRANCIS J. BLEE

District 2 (Atlantic)

Assemblyman LEONARD LANCE

District 23 (Warren, Hunterdon and Mercer)

Co-Sponsored by:

Assemblywoman Crecco, Assemblyman Malone and Assemblywoman Pou

SYNOPSIS

Authorizes State to establish intergovernmental transfer program in Medicaid program.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 5/23/2000)

1 AN ACT authorizing an intergovernmental transfer program under the
2 Medicaid program, supplementing Title 30 of the Revised Statutes
3 and making an appropriation therefor.

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

7
8 1. The Legislature finds and declares that:

9 a. Federal law permits states to enhance existing federal financial
10 participation under the Medicaid program through the use of
11 intergovernmental transfers;

12 b. Participation in an intergovernmental transfer program by the
13 State and certain governmental entities will enhance the health and
14 welfare of the citizens of New Jersey by providing additional funds for
15 health-related services; and

16 c. In order to secure the additional federal funds under the
17 Medicaid program, it is the intent of this act to authorize and
18 implement an intergovernmental transfer program.

19
20 2. As used in this act:

21 "Bank" means a State or federally chartered bank, savings bank or
22 savings and loan association located in this State that is authorized to
23 receive public funds and that is selected by the participating
24 governmental entities to carry out the provisions of this act.

25 "Intergovernmental transfer" means the transfer of money to the
26 State account by a participating governmental entity as contemplated
27 by an intergovernmental transfer agreement.

28 "Intergovernmental transfer agreement" means an agreement among
29 the State Treasurer, the Commissioners of Human Services and Health
30 and Senior Services, and a participating governmental entity pertaining
31 to participation in and implementation of the intergovernmental
32 transfer program.

33 "Intergovernmental transfer program" or "program" means a
34 program to enhance federal financial participation under the Medicaid
35 program by using intergovernmental transfers.

36 "Medicaid" means the "New Jersey Medical Assistance and Health
37 Services Program" established pursuant to P.L.1968, c.413 (C.30:4D-
38 1 et seq.).

39 "Medicaid State plan" means the plan submitted by the State to the
40 federal Health Care Financing Administration in the Department of
41 Health and Human Services, including any amendments thereto.

42 "Participant accounts" means the accounts maintained at the bank
43 by each participating governmental entity for the purpose of
44 effectuating the intergovernmental transfer program.

45 "Participating governmental entity" means any governmental entity
46 that owns a nursing facility enrolled in the Medicaid program and

1 qualifies for a supplemental payment under the Medicaid State plan,
2 and which signs an intergovernmental transfer agreement.

3 "State account" means the account maintained at the bank by the
4 State Treasurer for the purpose of the intergovernmental transfer
5 program.

6 "Supplemental payment" means the Medicaid payment made by the
7 State to a participating governmental entity for a specified fiscal year,
8 as set forth and provided for in an intergovernmental transfer
9 agreement.

10
11 3. There is established an intergovernmental transfer program
12 subject to the provisions of this act.

13 a. Notwithstanding the provisions of any other law to the contrary,
14 a governmental entity eligible to receive a supplemental payment is
15 authorized to participate in the intergovernmental transfer program
16 and to take all actions necessary to effectuate completion of the
17 intergovernmental transfer program, including, but not limited to:

18 (1) entering into agreements, including an intergovernmental
19 transfer agreement, with any entity, including the State Treasurer, the
20 Commissioner of Human Services, the Commissioner of Health and
21 Senior Services and other participating governmental entities;

22 (2) cooperating with a bank in the execution of any additional
23 documentation required by the bank to effect the borrowing by any
24 participating governmental entity through the issuance of short-term
25 notes pursuant to N.J.S.40A:4-64, except that the short-term notes
26 shall not be subject to the provisions of N.J.S.40A:4-66, or in any
27 other manner permitted by law, and to pledge to the bank a security
28 interest in all of its right, title and interest in and to its participant
29 account for repayment of the short-term notes;

30 (3) transferring participating governmental entity funds to the State
31 account;

32 (4) executing certifications, letters of instruction or other
33 instruments necessary to effectuate the intergovernmental transfer
34 program; and

35 (5) receiving and utilizing supplemental payments received in
36 accordance with the Medicaid State plan, in the manner set forth under
37 the terms of an intergovernmental transfer agreement and as may be
38 necessary to achieve the purposes of the intergovernmental transfer
39 agreement.

40 b. Notwithstanding any other law to the contrary, the State
41 Treasurer, the Commissioner of Human Services and the
42 Commissioner of Health and Senior Services, acting on behalf of the
43 State, are authorized to participate in the intergovernmental transfer
44 program and to take all actions and make payments in connection with
45 the completion of the intergovernmental transfer program, including,
46 but not limited to:

1 (1) entering into agreements, including the intergovernmental
2 transfer agreement, with any entity, including participating
3 governmental entities, upon such terms and conditions as the State
4 Treasurer deems necessary or desirable to allow for the entity's
5 participation in the intergovernmental transfer program;

6 (2) cooperating with any bank in the execution of any additional
7 documentation required by the bank to transfer supplemental payments
8 to the participant accounts and otherwise effectuate the
9 intergovernmental transfer program; and

10 (3) executing, approving or authorizing certifications, letters of
11 instruction, legal opinions or other instruments as the State Treasurer
12 deems necessary or desirable to effectuate the intergovernmental
13 transfer program.

14
15 4. a. There are appropriated to the Department of Health and
16 Senior Services such sums as are determined necessary by the Director
17 of the Division of Budget and Accounting in the Department of the
18 Treasury to make supplemental payments in accordance with the
19 Medicaid State plan under the intergovernmental transfer program.
20 The sums so appropriated shall be deposited in the State account and
21 used to make supplemental payments to the participant accounts
22 pursuant to this subsection and as set forth in an intergovernmental
23 transfer agreement.

24 b. There are appropriated to the Department of Health and Senior
25 Services and Department of the Treasury such additional sums as are
26 determined necessary by the Director of the Division of Budget and
27 Accounting in the Department of the Treasury to pay costs incurred
28 by the State in connection with the execution and delivery of any
29 agreements authorized hereunder, including the costs of professional
30 services, attorneys and any other costs necessary to complete the
31 intergovernmental transfer program.

32
33 5. This act shall take effect immediately.
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36 STATEMENT
37

38 This bill authorizes the State to create and implement an
39 intergovernmental transfer program for the purpose of securing
40 additional federal funds under the State Medicaid program. The bill
41 authorizes the State Treasurer, the Commissioners of Human Services
42 and Health and Senior Services, and the eligible governmental entities
43 to enter into and complete the transaction.