SENATE, No. 1373 **STATE OF NEW JERSEY** 218th LEGISLATURE

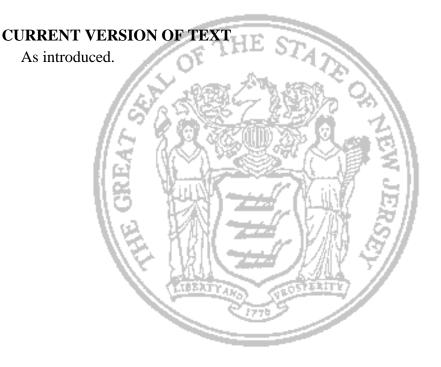
INTRODUCED FEBRUARY 1, 2018

Sponsored by: Senator JEFF VAN DREW District 1 (Atlantic, Cape May and Cumberland) Assemblyman BOB ANDRZEJCZAK District 1 (Atlantic, Cape May and Cumberland) Assemblyman R. BRUCE LAND District 1 (Atlantic, Cape May and Cumberland) Assemblyman MATTHEW W. MILAM District 1 (Atlantic, Cape May and Cumberland)

Co-Sponsored by: Assemblywoman McKnight

SYNOPSIS

Expands option of governmental home health care agency to partner with non-governmental providers to deliver health care services.



(Sponsorship Updated As Of: 5/24/2019)

S1373 VAN DREW 2

1 AN ACT concerning governmental home health care agencies and 2 supplementing Title 26 of the Revised Statutes. 3 4 **BE IT ENACTED** by the Senate and General Assembly of the State 5 of New Jersey: 6 7 1. Notwithstanding any provision of Title 26 of the Revised 8 Statutes or any regulation promulgated thereunder to the contrary, a 9 county or municipal government that is the licensed operator of a 10 home health agency may contract with a non-governmental entity 11 that is licensed as a home health care agency to provide direct services, administration, and financial services on behalf of the 12 governmental home health care agency, provided that the 13 14 governmental body that is the licensed operator retains ultimate 15 control over key governance responsibilities. Any such contractual 16 arrangement shall be subject to approval by the Department of 17 Health. Nothing in this section shall be construed to supersede any 18 applicable law or regulation concerning public bidding, licensure of 19 non-governmental home health care agencies, or reimbursement for 20 publicly funded health care programs. 21 22 2. The Commissioner of Health shall, in accordance with the 23 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et 24 seq.), adopt any rules and regulations as the commissioner deems 25 necessary to carry out the provisions of this act. 26 27 This act shall take effect on the first day of the seventh 3. month next following the date of enactment, except that the 28 29 Commissioner of Health may take any anticipatory administrative 30 action in advance as shall be necessary for the implementation of 31 this act. 32 33 34 **STATEMENT** 35 36 This bill would permit a government-owned home health agency 37 to contract with a non-governmental entity that is licensed as a 38 home health care agency to provide direct services, administration, 39 and financial services. Current regulations at N.J.A.C.8:42-3.1 40 require a licensed home health agency to routinely provide nursing 41 services through its own staff, allowing an agency to retain nursing 42 services by contract only (1) temporarily because all available 43 employees have achieved maximum caseloads; or (2) to provide 44 specialized care that is not within either the expertise or scope of 45 practice of existing staff. This bill would allow governmental home 46 health agencies to contract with non-governmental agencies to

47 deliver services on a longer-term basis.

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1 Under the bill, a contract between a governmental home health 2 care agency and a non-governmental contractor must leave ultimate control over key governance responsibilities to the governmental 3 4 body that is the licensed operator. Any such contractual 5 arrangement would be subject to approval by the Department of 6 Health. Nothing in the bill would supersede any applicable law or 7 regulation concerning public bidding, licensure of non-8 governmental home health care agencies, or reimbursement for 9 publicly funded health care programs.

10 It is the sponsor's belief that county and municipal governments 11 continue to have an important role in providing public health care services to their residents that can be essential to ensure quality 12 13 health care services are available to all underserved residents, 14 irrespective of their ability to pay. However, governmental health 15 care agencies are often faced with challenges in the efficient 16 delivery of health care services not faced by private entities, and these challenges can negatively affect their ability to serve as 17 18 critical access providers. By granting more flexibility to contract 19 for services, these governmental health care agencies can better 20 serve their missions to provide needed health care to their residents.