

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 3374

with committee amendments

STATE OF NEW JERSEY

DATED: JANUARY 6, 2020

The Senate Budget and Appropriations Committee reports favorably and with committee amendments Senate Bill No. 3374.

Current State and federal law provide that pregnant women are to be provided with continuing Medicaid coverage for 60 day following the day of the pregnancy. As amended, this bill extends this coverage to provide that eligible pregnant women will retain Medicaid coverage for a six-month period beginning on the last day of her pregnancy, provided that if the six-month period ends during the middle of a calendar month the woman shall continue to be deemed a qualified applicant through the last day of the calendar month.

The bill, as amended, also codifies that the income threshold for pregnant women under Medicaid must not exceed the highest income eligibility level established for pregnant women under the State Medicaid plan - currently 194 percent of the federal poverty level. Furthermore, the bill requires the Commissioner of Human Services to apply for such State plan amendments or waivers as may be necessary to implement the provisions of the bill and to secure federal financial participation for State Medicaid expenditures under the federal Medicaid program.

COMMITTEE AMENDMENTS

These committee amendments decrease the length of time following the day of a pregnancy in which Medicaid coverage is provided to eligible pregnant women from a 365-day period to a six-month period beginning on the last day of her pregnancy, provided that if the six-month period ends during the middle of a calendar month the woman shall continue to be deemed a qualified applicant through the last day of the calendar month.

FISCAL IMPACT

The Office of Legislative Services (OLS) estimates that this bill may cause the State to incur indeterminate annual costs to extend the coverage of comprehensive services under the Medicaid program to certain pregnant individuals from 60 days to a six-month period, beginning on the last day of the pregnancy. Because the federal government reimburses 50 percent of eligible State Medicaid

expenditures, State revenues will grow by an amount equal to half of the increase in State Medicaid expenditures, assuming federal approval to provide these Medicaid benefits. The OLS notes that the State will not incur costs for the comprehensive Medicaid coverage provided to pregnant individuals for the first 60 days of the six-month period, as the State currently provides this coverage.