

ASSEMBLY, No. 2280

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED JANUARY 27, 2020

Sponsored by:

Assemblyman JOHN ARMATO

District 2 (Atlantic)

Assemblywoman CAROL A. MURPHY

District 7 (Burlington)

Assemblywoman VALERIE VAINIERI HUTTLE

District 37 (Bergen)

Co-Sponsored by:

Assemblyman Verrelli

SYNOPSIS

Prohibits certain substance use disorder treatment facilities from paying fees, commissions, or rebates to any person to refer patients to facility.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 3/5/2020)

1 AN ACT concerning referrals to substance use disorder treatment
2 facilities and 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:

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7 1. a. Except as provided in subsection b. of this section, no
8 substance use disorder treatment facility approved and licensed in
9 accordance with section 8 of P.L.1975, c.305 (C.26:2B-14) shall
10 pay or otherwise furnish any fee, commission, or rebate to any
11 person to refer patients to the facility for substance use disorder
12 treatment or services. Each violation of the provisions of this
13 section shall be punishable by a civil penalty of up to \$25,000,
14 which shall be collected and enforced by the Commissioner of
15 Human Services in a summary proceeding pursuant to the "Penalty
16 Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).

17 b. The penalties imposed pursuant to subsection a. of this
18 section shall not apply to a fee, commission, or rebate that does not
19 vary based on:

20 (1) the number of patients referred to a substance use disorder
21 treatment facility;

22 (2) the duration, level, volume, or nature of the treatment
23 services provided to a patient; or

24 (3) the amount paid by a carrier to a substance use disorder
25 treatment facility for treatment or services provided to a patient.

26

27 2. a. Except as provided in subsection b. of this section, no
28 substance use disorder treatment facility issued a certificate of
29 approval pursuant to P.L.1970, c.334 (C.26:2G-21 et seq.) shall pay
30 or otherwise furnish any fee, commission, or rebate to any person to
31 refer patients to the facility for substance use disorder treatment or
32 services. Each violation of the provisions of this section shall be
33 punishable by a civil penalty of up to \$25,000, which shall be
34 collected and enforced by the Commissioner of Human Services in
35 a summary proceeding pursuant to the "Penalty Enforcement Law
36 of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).

37 b. The penalties imposed pursuant to subsection a. of this
38 section shall not apply to a fee, commission, or rebate that does not
39 vary based on:

40 (1) the number of patients referred to a substance use disorder
41 treatment facility;

42 (2) the duration, level, volume, or nature of the substance use
43 disorder treatment services provided to a patient; or

44 (3) the amount of benefits provided by a carrier to a substance
45 use disorder treatment facility for treatment or services provided to
46 a patient.

1 3. The Commissioner of Human Services, pursuant to the
2 “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et
3 seq.), shall adopt rules and regulations to implement the provisions
4 of this act.

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6 4. This act shall take effect immediately.

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STATEMENT

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11 This bill prohibits substance use treatment disorder facilities
12 regulated by the Division of Mental Health and Addiction Services
13 in the Department of Human Services from paying or otherwise
14 furnishing any fee, commission, or rebate to any person for
15 referring patients to the facility for treatment or services. Each
16 violation of the bill is punishable by a civil penalty of up to
17 \$25,000.

18 The civil penalties imposed under the bill will not apply to the
19 payment of a fee, commission, or rebate that does not vary based on
20 the number of patients referred to a substance use disorder
21 treatment facility; the duration, level, volume, or nature of the
22 substance use disorder treatment services provided to a patient; or
23 the amount paid by a carrier to a substance use disorder treatment
24 facility for treatment or services provided to a patient.