

[Second Reprint]

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)

Senator VIN GOPAL

District 11 (Monmouth)

Senator JOSEPH P. CRYAN

District 20 (Union)

Co-Sponsored by:

Assemblyman Verrelli, Assemblywoman Pinkin, Assemblyman Greenwald, Assemblywoman Downey, Senators Diegnan, Pou, Assemblymen Freiman, Johnson, Assemblywoman Jimenez and Assemblyman Houghtaling

SYNOPSIS

Criminalizes certain payments for referral of patients to substance use disorder treatment facilities.

CURRENT VERSION OF TEXT

As reported by the Senate Health, Human Services and Senior Citizens Committee on September 14, 2020, with amendments.

(Sponsorship Updated As Of: 1/11/2021)

1 AN ACT concerning referrals to substance use disorder treatment
2 facilities and supplementing Title ¹**[26]** 2C¹ of the ¹**[Revised]**
3 New Jersey¹ Statutes.

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

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

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

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

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

25 (3) the amount paid by a carrier to a substance use disorder
26 treatment facility for treatment or services provided to a patient. ¹**]**

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

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

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

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

EXPLANATION – Matter enclosed in bold-faced brackets **[thus] in the above bill is not enacted and is intended to be omitted in the law.**

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly AHE committee amendments adopted March 5, 2020.

²Senate SHH committee amendments adopted September 14, 2020.

1 (3) the amount of benefits provided by a carrier to a substance
2 use disorder treatment facility for treatment or services provided to
3 a patient.】¹

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

9
10 ¹1. a. ²【Except as provided in subsection b. of this section, a
11 A² person is guilty of a crime of the fourth degree if ²【he or she】 the
12 person² makes or receives a payment or otherwise furnishes or
13 receives any fee, commission, or rebate to any person in connection
14 with the referral of patients to a facility licensed in accordance with
15 section 8 of P.L.1975, c.305 (C.26:2B-14) for substance use disorder
16 treatment or services or to a substance use disorder treatment facility
17 issued a certificate of approval pursuant to P.L.1970, c.334 (C.26:2G-
18 21 et seq.).

19 b. A person is guilty of a crime of the fourth degree if the person
20 knowingly assists, conspires with, or urges any person to ²【violate a
21 provision of this act】 make, furnish, or receive a payment, fee,
22 commission, or rebate in violation of subsection a. of this section² .

23 c. It shall not be a violation of ²subsection a. of² this section to
24 make or receive a payment or otherwise furnish or receive any fee,
25 commission, or rebate that does not vary based on:

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

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

30 (3) the amount of benefits provided by a carrier to a substance use
31 disorder treatment facility for treatment or services provided to a
32 patient.¹

33
34 ¹【4.】 2.¹ This act shall take effect immediately.