

# SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

### SENATE COMMITTEE SUBSTITUTE FOR **SENATE, No. 690**

with committee amendments

# STATE OF NEW JERSEY

DATED: JUNE 22, 2021

The Senate Budget and Appropriations Committee reports favorably and with committee amendments Senate Bill No. 690 (SCS).

As amended, the committee substitute provides that New Jersey residents have access to one cost-free postpartum home nurse visit.

The committee substitute requires the Department of Children and Families (DCF) to establish a Statewide voluntary universal newborn home nurse visitation program to provide home visitation services to newborn infants and parents of a newborn infant.

Under the provisions of the amended substitute, the DCF will:

(1) appoint an advisory group of stakeholders, which will consult, coordinate, and collaborate with the DCF on the development of the program. The substitute requires the advisory group to organize no later than 30 days following the enactment of the substitute, and include at least one representative of each of the following entities: an insurance carrier that offers health benefit plans in the State; a hospital; a birthing facility; a local public health authority; a maternal child health consortium; an early childhood home visitation program; a home health agency; a federally qualified health center; a community-based organization; and a social service agency;

(2) have the authority to develop a plan for the managed rollout of the newborn home nurse visitation program throughout the State;

(3) in consultation with the Departments of Banking and Insurance and Human Services, establish criteria for the coverage of services provided under the newborn home nurse visitation program by insurance carriers offering health benefits plans in the State; and

(4) ensure that the program meets the needs of the residents in the communities in which the program operates.

The substitute requires that the newborn home nurse visitation program be operated in a culturally-competent manner and that the program:

(1) is voluntary and carries no negative consequences for parents with a newborn infant who decline to participate in the program when applying for other services available to pregnant persons, and when applying for services available to all parents of newborn infants;

(2) offers home nurse visitation services in every community in the State and to all newborn infants and parents of a newborn infant residing in the community in which the program operates, including resource family parents, adoptive parents, and parents experiencing a stillbirth;

(3) includes at least one home nurse visit in the participating newborn infant's home within two weeks after the birth of an infant;

(4) provides the opportunity for no more than two additional visits during the newborn infant's first three months of life, with such additional visits occurring based on the family's choice, as well as need and availability as determined by the program;

(5) ensures that a home nurse visit be conducted by a registered nurse or an advanced practice nurse licensed in this State;

(6) improves State outcomes in areas including maternal health, infant health and development, and parenting skills;

(7) is based on criteria established by the United States Department of Health and Human Services for an evidence-based early childhood home visiting service delivery model;

(8) includes an evidence-based evaluation of the physical, emotional, and social factors affecting a parent or parents and the parent's or parents' newborn infant, including, but not limited to, a health and wellness check of the newborn and an assessment of the physical and mental health of a person who has given birth;

(9) provides support services to the parent or parents of a newborn infant, including, but not limited to, breastfeeding education and assistance to a person who has recently given birth in recognizing the symptoms of, and coping with, perinatal mood disorder;

(10) coordinates with each hospital and birthing facility in the State to ensure that a person who has given birth is advised of the benefits of receiving a home nurse visit within two weeks after the birth an infant, and to ensure that the program attempts to schedule a home nurse visit prior to the person's discharge from the hospital or facility; and

(11) develops a method for providing parents, who elect to have a home birth, information about the program; and

(12) provides information on, and referrals to, services that address the specific needs of newborn infants and parents of a newborn infant.

The DCF may contract with one or more third-party vendors or service providers to assist the department in administering the program, including hiring and staffing nurses and providing training on the home visiting model utilized by the program.

Under the provisions of the substitute, the DCF, in consultation with the DOH, is required to prepare a resource guide providing information on the newborn home nurse visitation program and the services available to pregnant persons, persons who have recently given birth, and parents of a newborn infant born in this State. The

resource guide is to be distributed at the time the parent or parents of a newborn infant are informed of the newborn home nurse visitation program and of their right to schedule a home nurse visit.

The committee substitute requires the DCF to collect and analyze data about the newborn home nurse visitation program, which will be used to evaluate, measure, and improve the effectiveness of the program in achieving its purpose of supporting healthy child development and strengthening families.

The DCF is required to also work with other State departments and agencies, health insurance carriers that offer health benefit plans in the State, hospitals and birthing facilities, local public health authorities, maternal child health consortia, early childhood home visitation programs, community-based organizations, and social service providers, to develop protocols concerning the timely sharing of the data collected pursuant to the substitute, including the sharing of data with the primary care providers of parents participating in the newborn home nurse visitation program.

The Department of Children and Families may contract with a third-party vendor with expertise in the model utilized by the program to assist with the analysis and evaluation of data collected pursuant to this section. In the event of such a contract, the department will facilitate the sharing of data with the third party, in accordance with State and federal law.

The substitute requires health insurers to cover the newborn home nurse visit and provides that the health benefits coverage requirements apply to: health, hospital, and medical service corporations; commercial, individual, and group health insurers; health maintenance organizations; and health benefits plans issued pursuant to the New Jersey Individual Health Coverage and Small Employer Health Benefits Programs. The requirements for coverage will also apply to the State Health Benefits Program, which by law requires similar health benefits coverage under the School Employees' Health Benefits Program, as well as to the State Medicaid program.

The substitute requires that health insurers are to: (1) notify a covered person of the services provided by the newborn home nurse visitation program, upon application by the covered person for coverage of a newborn infant; (2) ensure that contracts or policies do not contain any provision that requires a covered person to receive the services provided by the newborn home nurse visitation program as a condition of coverage, or that denies or limits benefits to the covered person if that person declines the services provided under the program; (3) have the discretion to determine how best to reimburse for the expenses incurred for services provided under the newborn home nurse visitation program; (4) waive the receipt of any copayment, coinsurance, or deductible that may be required for the home nurse visits and specify that any copayment, coinsurance, or deductible may not be imposed on the coverage required under the substitute; (5)

submit a report to either the DOBI, which will share information contained in the report to the DCF, or DCF on the claims submitted for services provided under the newborn home nurse visitation program that will be used by the DCF to assess the newborn home nurse visitation program; and (6) and require that, when applicable, contracts or policies qualifying as a high deductible health plan or that meet the requirements of a catastrophic plan, as defined in 45 C.F.R. s.156.155, provide benefits for expenses incurred for services provided under the newborn home nurse visitation program at the lowest deductible and other cost-sharing requirement permitted under federal law for high deductible health plans or for catastrophic plans, as applicable.

The Commissioner of Banking and Insurance, in consultation with the Commissioner of the Department of Children and Families, will have the authority to permit carriers to use an in-network provider that meets the requirement of the program, or contract with a vendor or provider selected by the program, to provide home visitation services.

As amended, the substitute requires the Commissioner of Human Services to apply for any State plan amendments or waivers necessary to implement the provisions of the substitute and to secure federal financial participation for State Medicaid expenditures under the federal Medicaid program.

The substitute appropriates the sum of \$2,750,000 from the General Fund to the Department of Children and Families to implement the provisions of the substitute.

#### COMMITTEE AMENDMENTS:

The committee amendments make various changes to the language throughout the substitute to clarify that the newborn home nurse visitation program and the program's benefits and services are available for newborn infants and the parent or parents of a newborn.

The committee amendments remove language requiring DCF to establish the newborn home nurse visitation program throughout the State within eight months after the substitute's date of enactment, and instead, provide that the DCF will have the authority to develop a plan for the managed rollout of the program throughout the State.

The committee amendments revise the requirements of the newborn home nurse visitation program and provide that the program includes at least one home nurse visit in the participating newborn's home within two weeks after the infant's birth with an opportunity for no more than two additional visits during the newborn infant's first three months of life, depending on the family's choice, as well as need and availability as determined by the program. The amendments clarify that the home nurse visit is to be conducted by a registered nurse or advanced practice nurse licensed in this State. The amendments broaden the focus of the program in improving State outcomes. The amendments require the program to be based on criteria established by the United States Department of Health and

Human Services for an evidence-based early childhood home visiting service delivery model. The amendments require the program to attempt to schedule a home nurse visit prior to the person's discharge from the hospital or facility, as opposed to the hospital or birthing facility scheduling the visit. Additionally, the amendments require the program to develop a method for providing parents, who elect to have home births, information about the program. The amendments require the program to be operated in a culturally-competent manner.

The committee amendments provide that DCF may contract with one or more third-party vendors or service providers to assist the department in administering the program, including hiring and staffing nurses and providing training on the home visiting model utilized by the program.

The committee amendments provide that the data collected by the DCF about the program will also be used to improve the effectiveness of the program. The amendments also provide that DCF may contract with a third-party vendor with expertise in the model utilized by the program to assist with the analysis and evaluation of data collected pursuant to this section, sharing data with the third party in accordance with State and federal law.

The committee amendments revise the requirements for the various health benefits plan carriers that are subject to the provisions of the bill to provide that each carrier or organization will submit a report to DOBI, instead of DCF. The amendments provide that the information contained in those reports will be shared with DCF to be used by DCF to assess the newborn home nurse visitation program. The amendments require that any plan that meets the requirements of a catastrophic plan, as defined in 45 C.F.R. s.156.155, to provide benefits for expenses incurred for services provided under the newborn home nurse visitation program at the lowest deductible and other cost-sharing requirement to the extent permitted for a catastrophic plan under federal law.

The amendments provide that the Commissioner of Banking and Insurance, in consultation with the Commissioner of the Department of Children and Families, will have the authority to permit carriers to use an in-network provider that meets the requirements of the program, or contract with a vendor or provider selected by the program, to provide home visitation services.

The committee amendments remove a requirement for the Commissioner of Banking and Insurance to apply for any State plan amendments or waivers necessary to implement the provisions of the substitute. The amendments leave in place a requirement for the Commissioner of Human Services to apply for any State plan waivers and amendments as are necessary.

The committee amendments provide for an appropriation of \$2,750,000 from the General Fund to the DCF to implement the provisions of the substitute.

The committee amendments make various technical changes involving the way certain sections of the bill are numbered.

The committee amendments revise the title and synopsis of the substitute to reflect these changes.

FISCAL IMPACT:

The Office of Legislative Services concludes that the Division of Medical Assistance and Health Services in the Department of Human Services would realize an indeterminate increase in annual expenditures in order to provide one postpartum home visit, at no cost to the patient, for each New Jersey FamilyCare beneficiary who gives birth at a New Jersey hospital or birthing facility. The State currently covers home visitation services for certain low-income, first-time mothers and children up to age two years, pursuant to a Medicaid Section 1115 demonstration waiver; the existing program is operated under the purview of the Department of Children and Families. State revenues would additionally increase pursuant to this bill, since State expenditures for postpartum home visits to eligible NJ FamilyCare enrollees would be eligible for federal matching funds for State Medicaid expenditures.

University Hospital, an independent nonprofit legal entity that is an instrumentality of the State, may realize lower revenues to comply with the requirements under this bill, to the extent that the hospital is required to waive copayments, coinsurance, and deductibles for the postpartum home visits and is prohibited from billing maternity patients for any remaining balance, following payment by any third-party payer, for the required postpartum home visit.

The Department of Children and Families, moreover, would incur indeterminate costs in order to expand, in collaboration with the Departments of Banking and Insurance and Human Services and the State Health Benefits Commission, the department's Nurse-Family Partnership program to all parents of a newborn infant in every community in the State, including resource family parents, adoptive parents, and parents experiencing a stillbirth.

The Department of Children and Families would also realize increased expenditures in order to establish criteria for the coverage of services provided through the newborn home nurse visitation program by insurance carriers offering health benefits plans in the State, coordinate with State hospitals and birthing facilities to ensure that individuals who have given birth are informed about this benefit, and to prepare a resource guide, in consultation with the Department of Health, that provides information concerning the newborn home nurse visitation program and other services available to pregnant individuals and individuals who have recently given birth. The department would additionally realize increased costs to develop protocols concerning reporting and collecting data concerning outcomes from the home visitation program, and to analyze these data.

The School Employees Health Benefits Program (SEHBP) and the State Health Benefits Program (SHBP) would incur indeterminate costs in order to establish the home visitation program required under the bill. Currently, the SEHBP and SHBP do not provide postpartum home nursing visits as prescribed by the bill. Costs to the SEHBP and SHBP would be driven by the number of participants who would sign up for a postpartum home nursing visit, the cost of a home nursing visit provided by a licensed registered nurse or advanced practice nurse, as well as the cost of any equipment or supplies required to provide necessary services.