

[Fourth Reprint]

SENATE, No. 1676

STATE OF NEW JERSEY
219th LEGISLATURE

INTRODUCED FEBRUARY 13, 2020

Sponsored by:

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Senator JOSEPH F. VITALE

District 19 (Middlesex)

Assemblyman HERB CONAWAY, JR.

District 7 (Burlington)

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Assemblywoman VALERIE VAINIERI HUTTLE

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SYNOPSIS

Allows hospitals to construct housing and provide wrap-around services for individuals who are homeless or housing insecure.

CURRENT VERSION OF TEXT

As amended on June 21, 2021 by the Senate pursuant to the Governor's recommendations.

(Sponsorship Updated As Of: 3/25/2021)

1 AN ACT concerning hospitals ⁴**[**, amending P.L.1992, c.160,**]**⁴ and
2 supplementing P.L.1971, c.136 (C.26:2H-1 et seq.).

3
4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6
7 ⁴**[**1. Section 19 of P.L.1992, c.160 (C.26:2H-7a) is amended to
8 read as follows:

9 19. Notwithstanding the provisions of section 7 of P.L.1971,
10 c.136 (C.26:2H-7) to the contrary, the following are exempt from
11 the certificate of need requirement:

- 12 Community-based primary care centers;
- 13 Outpatient drug and alcohol services;
- 14 Hospital-based medical detoxification for drugs and alcohol;
- 15 Ambulance and invalid coach services;
- 16 Mental health services which are non-bed related outpatient
17 services;
- 18 Residential health care facility services;
- 19 Dementia care homes;
- 20 Capital improvements and renovations to health care facilities;
- 21 Additions of medical/surgical, adult intensive care and adult
22 critical care beds in hospitals;
- 23 Inpatient special psychiatric beds used solely for services for
24 patients with co-occurring mental health and substance use
25 disorders;

26 Housing and wrap-around services for ¹**[the]** individuals who
27 are¹ homeless ¹or housing insecure¹ ³**[provided]**³ pursuant to
28 section 2 of P.L. , c. (C.) (pending before the
29 Legislature as this bill);

- 30 Replacement of existing major moveable equipment;
- 31 Inpatient operating rooms;
- 32 Alternate family care programs;
- 33 Hospital-based subacute care;
- 34 Ambulatory care facilities;
- 35 Comprehensive outpatient rehabilitation services;
- 36 Special child health clinics;
- 37 New technology in accordance with the provisions of section 18
38 of P.L.1998, c.43 (C.26:2H-7d);
- 39 Transfer of ownership interest except in the case of an acute care
40 hospital;
- 41 Change of site for approved certificate of need within the same
42 county;

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:

¹Senate SHH committee amendments adopted September 14, 2020.

²Senate floor amendments adopted October 29, 2020.

³Assembly AHE committee amendments adopted March 8, 2021.

⁴Senate amendments adopted in accordance with Governor's recommendations June 21, 2021.

1 Additions to vehicles or hours of operation of a mobile intensive
2 care unit;
3 Relocation or replacement of a health care facility within the
4 same county, except for an acute care hospital;
5 Continuing care retirement communities authorized pursuant to
6 P.L.1986, c.103 (C.52:27D-330 et seq.);
7 Magnetic resonance imaging;
8 Adult day health care facilities;
9 Pediatric day health care facilities;
10 Chronic or acute renal dialysis facilities; and
11 Transfer of ownership of a hospital to an authority in accordance
12 with P.L.2006, c.46 (C.30:9-23.15 et al.).
13 (cf: P.L.2017, c.94, s.1)]⁴
14

15 ⁴[2. (New section)] 1.⁴ a. A general acute care hospital
16 licensed pursuant to P.L.1971, c.136 (C.26:2H-1 et seq.) may adopt
17 as part of its mission the goal of addressing issues related to
18 homelessness ⁴[¹and] ⁴or⁴ housing insecurity¹. A hospital that
19 chooses to address issues related to homelessness ⁴[¹and] ⁴or⁴
20 housing insecurity¹ as part of its mission pursuant to ¹[subsection a.
21 of]¹ this section shall be authorized to construct ¹, rehabilitate, or
22 remediate¹ housing ⁴, or enter into a partnership or other contractual
23 arrangement therefor,⁴ and provide wrap-around services for
24 ¹individuals who are¹ homeless ¹[persons] ⁴[and] ⁴or⁴ housing
25 insecure¹ ⁴, or enter into a partnership or other contractual
26 arrangement therefor,⁴ who are treated at the hospital, which wrap-
27 around services may include:

28 (1) referrals to outpatient primary care and behavioral health
29 care services;

30 (2) appropriate follow-up care and treatment management
31 assistance;

32 (3) assistance identifying and procuring sources of health
33 benefits coverage, including, but not limited to, coverage under the
34 State Medicaid and NJ FamilyCare programs pursuant to
35 P.L.1968, c.413 (C.30:4D-1 et seq.) and P.L.2005, c.156
36 ¹[(C.30:4J-1 et al.)] (C.30:4J-8 et al.)¹; and

37 (4) assistance in identifying and accessing appropriate social
38 services, including, but not limited to, food, transportation, housing,
39 employment, and child care assistance.

40 ⁴Such hospital shall notify the Department of Health as to the
41 wrap-around services intended to be provided pursuant to this
42 section and if any such service is subject to the Department of
43 Health's healthcare facility licensing requirements the service shall
44 be licensed prior to it being provided. To the extent practicable, a
45 hospital may collaborate with a regional health hub to provide the
46 wrap-around services described in paragraphs (1) through (4) of this
47 subsection.⁴

1 b. ⁴3The number of housing units that are constructed,
2 rehabilitated, or remediated in a particular municipality pursuant to
3 this section shall be subtracted from the total number of affordable
4 housing units that may be required in that municipality by the
5 Council on Affordable Housing in the Department of Community
6 Affairs.³⁴ Housing for ¹the individuals who are¹ homeless ¹or
7 housing insecure¹ constructed ¹, rehabilitated, or ²remediated¹
8 remediated² by a hospital ⁴, or its partners or contractors,⁴ pursuant
9 to subsection a. of this section shall be ¹:

10 (1)¹ deemed a permitted use in all residential and nonresidential
11 districts of a municipality and shall be exempt from local zoning
12 restrictions ¹; and

13 (2) exempt from the Department of Health's health care facility
14 licensing requirements, provided that, if wrap-around services
15 provided in connection with the housing are provided in a health
16 clinic or other comparable health care facility licensed pursuant to
17 P.L.1971, c.136 (C.26:2H-1 et seq.), the clinic or facility shall
18 comply with the department's health care facility licensing
19 requirements¹.

20 c. Commencing one year after the date a hospital ⁴, or its
21 partners or contractors,⁴ first constructs ¹, rehabilitates, or
22 remediates¹ housing and begins providing wrap-around services for
23 ¹the individuals who are¹ homeless ¹or housing insecure¹
24 pursuant to subsection a. of this section, and annually thereafter, the
25 hospital shall report to the ¹Legislature, pursuant to section 2 of
26 P.L.1991, c.164 (C.52:14-19.1), the ⁴Departments Department⁴
27 of Health ⁴and Human Services¹⁴ concerning any reductions in
28 the number of ¹charity care inpatient¹ admissions ¹and
29 emergency department visits¹ at the hospital ¹and increased usage
30 of preventative care related to the construction, rehabilitation, or
31 remediation of housing and the provision of wrap-around services
32 by the hospital ⁴or its partners or contractors,⁴ to individuals who
33 are homeless ⁴and or⁴ housing insecure¹ over the previous year.
34 ¹The report shall include data based on each payer type for inpatient
35 admissions and emergency department visits, including charity care
36 ⁴. A health care system shall be permitted to submit the report
37 required under this subsection to the departments on behalf of one
38 or more of the hospitals that are part of the health care system and,
39 to the extent practicable, shall include input from local
40 stakeholders, including regional health hubs, on program design and
41 implementation. The report may be shared with regional health
42 hubs to assist the Department of Health in program design,
43 population analysis, strategic planning, and other appropriate
44 functions⁴.

45 d. The ⁴Departments Department⁴ of Health ⁴and Human
46 Services⁴ shall annually provide to the Legislature ⁴an analysis of
47 the a report aggregating the data contained in the⁴ reports

1 submitted to the ⁴[departments] department⁴ by a hospital ⁴[or
2 health care system, as applicable,]⁴ pursuant to subsection c. of this
3 section ³for five years following the effective date of
4 P.L. , c. (C.) (pending before the Legislature as this
5 bill) ⁴[. Thereafter, the Departments of Health and Human Services
6 shall provide the Legislature the analysis of the reports submitted to
7 the departments by a hospital or health care system] and⁴
8 quinquennially³ ⁴thereafter⁴ .

9 e. As used in this section, “individual who is ⁴homeless or⁴
10 housing insecure” means a person ⁴[: whose housing costs are
11 more than ²[50] 30² percent of the person’s monthly income; who
12 lives in substandard or poor quality housing ²which impacts the
13 person’s health and safety² ; who lives in a house or apartment with
14 overcrowded conditions which impact the person’s health and
15 safety; ²[who lives in a house or apartment with other individuals
16 or families in order to share housing costs;]² who is experiencing
17 housing instability, including, but not limited to, periods of living in
18 shelters or hotels or frequent moves from house to house due to
19 economic reasons; or] or household⁴ who ⁴is homeless or⁴
20 experiences periods of homelessness ⁴as either of those terms is
21 defined pursuant to the federal McKinney-Vento Homeless
22 Assistance Act, (42 U.S.C. s.11301 et seq.), the Qualified
23 Allocation Plan adopted by the New Jersey Housing and Mortgage
24 Finance Agency, or any other State or federal program specifically
25 designed to assist such persons or households; or a person or
26 household eligible for and occupying very-low-income housing,
27 low-income housing, or moderate-income housing as those terms
28 are defined in section 4 of P.L.1985, c.222 (C.52:27D-304).

29 f. This section shall not be construed to invalidate or otherwise
30 limit the credit or bonus credit for which a municipality may
31 otherwise be eligible to receive in accordance with P.L.1985, c.222
32 (52:27D-301 et seq.) or any court order issued or settlement
33 agreement executed consistent therewith.

34 g. This section shall not be construed to invalidate or otherwise
35 limit the authority or ability to facilitate or enter into such
36 arrangements, or agreements, or projects under existing law⁴ .¹

37
38 ⁴[3.] ².⁴ This act shall take effect immediately.