

SENATE, No. 2191

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED MARCH 16, 2020

Sponsored by:

Senator LORETTA WEINBERG

District 37 (Bergen)

Senator KRISTIN M. CORRADO

District 40 (Bergen, Essex, Morris and Passaic)

SYNOPSIS

Establishes minimum Medicaid reimbursement rates for private duty nursing services.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 12/10/2020)

S2191 WEINBERG, CORRADO

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1 AN ACT concerning Medicaid reimbursement for private duty
2 nursing services and supplementing Title 30 of the Revised
3 Statutes.

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

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8 1. a. The hourly reimbursement rate for private duty nursing
9 services under the Medicaid program established pursuant to
10 P.L.1968, c.413 (C.30:4D-1 et seq.), whether the services are
11 provided in the Medicaid fee-for-service delivery system or through
12 a managed care delivery system, shall be no less than \$60 per hour
13 when a registered professional nurse provides the services and no
14 less than \$48 per hour when a licensed practical nurse provides the
15 services. The Division of Medical Assistance and Health Services
16 in the Department of Human Services shall establish criteria
17 indicating the portion of the hourly reimbursement rate that shall be
18 used by providers for wages of workers who directly provide
19 private duty nursing services.

20 b. Every provider that receives reimbursement for private duty
21 nursing services pursuant to a Medicaid managed care contract shall
22 annually provide a report to the Division of Medical Assistance and
23 Health Services in the Department of Human Services regarding the
24 use of funds received as reimbursement for private duty nursing
25 services, including the prior salary, current salary, and other
26 changes to the salary of the workers who directly provide personal
27 care services, in order to ensure compliance with subsection a. of
28 this section.

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30 2. Within 180 days after the enactment of this act, the
31 Commissioner of Human Services shall apply for such State plan
32 amendments or waivers as may be necessary to implement the
33 provisions of this act and secure federal financial participation for
34 State Medicaid expenditures under the federal Medicaid program.

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36 3. The Commissioner of Human Services shall adopt rules and
37 regulations, pursuant to the "Administrative Procedure Act,"
38 P.L.1968, c.410 (C.52:14B-1 et seq.), to effectuate the purposes of
39 this act.

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41 4. This act shall take effect immediately, except that the
42 provisions of section 1 shall remain inoperable until the
43 commissioner receives approval, from the United States Secretary
44 of Health and Human Services, of the State plan amendments or
45 waivers that are necessary to obtain federal financial participation
46 for the State Medicaid expenditures that are to be made pursuant to
47 that section.

STATEMENT

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This bill would establish minimum Medicaid reimbursement rates for private duty nursing (PDN) services that are provided in the Medicaid fee-for-service delivery system or through a managed care delivery system. PDN services are individualized nursing services that are provided by licensed nurses, on a continuous and non-intermittent basis, to certain beneficiaries in the home setting. The bill provides that the minimum Medicaid reimbursement rate for such services is to be no less than \$60 per hour when a registered professional nurse provides the services and no less than \$48 per hour when a licensed practical nurse provides the services. The Division of Medical Assistance and Health Services (DMAHS) in the Department of Human Services will be required to establish criteria indicating the portion of the hourly reimbursement rate that is to be used by providers for wages of workers who directly provide private duty nursing services.

Every provider that receives reimbursement for private duty nursing services pursuant to a Medicaid managed care contract will be required to annually provide a report to the DMHAS regarding the use of funds received as reimbursement for private duty nursing services, including the prior salary, current salary, and other changes to the salary of the workers who directly provide personal care services.

Existing State regulation, at N.J.A.C.10:60-11.2, establishes a maximum Medicaid reimbursement rate for PDN services. Specifically, the regulation provides for reimbursement of PDN services at a rate of not more than \$40 per hour when a registered professional nurse provides the services and not more than \$28 when a licensed practical nurse provides the services. These maximum reimbursement rates, however, are insufficient to cover the costs of service provision, and may effectively dissuade nurses from providing PDN services in the State.

The bill would require the Commissioner of Human Services to apply for such State plan amendments or waivers as may be necessary to implement the bill's provisions and secure federal financial participation for State Medicaid expenditures under the federal Medicaid program. The bill's substantive provisions would remain inoperable until the commissioner receives approval, from the U.S. Secretary of Health and Human Services, of the State plan amendments or waivers that are necessary to obtain federal financial participation for the State Medicaid expenditures that are to be made pursuant to the bill.