

SENATE HEALTH, HUMAN SERVICES AND SENIOR CITIZENS COMMITTEE

STATEMENT TO **SENATE, No. 3633**

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 10, 2021

The Senate Health, Human Services and Senior Citizens Committee reports favorably and with committee amendments Senate Bill No. 3633.

As amended by the committee, this bill increases the income eligibility limits established in the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program to \$38,769 for single persons and \$45,270 combined income for married couples. Under the Senior Gold Prescription Discount Program, income eligibility limits are \$10,000 higher than PAAD income eligibility limits. Therefore, this bill will increase income eligibility limits under the Senior Gold Prescription Discount program to \$48,769 for single persons and \$55,270 combined income for married couples.

Currently, the PAAD income limits for 2021 are \$28,769 for single persons and \$35,270 combined income for married couples. Although the PAAD law states that income eligibility limits are \$16,624 and \$20,383 for single persons and married couples, respectively, an annual cost-of-living increase in income eligibility limits was adopted effective January 1, 1996, which has increased these eligibility levels each year.

As amended by the committee, this bill retains the annual cost-of-living increase, but raises the overall income eligibility levels for the program, effective January 1, 2022. The annual cost-of-living increase will not be applied in calendar year 2022, but will resume effective January 1, 2023, and will be applied annually thereafter as provided under current law.

COMMITTEE AMENDMENTS:

The committee amendments provide that the annual cost-of-living increase that is applied to PAAD and Senior Gold income eligibility limits under current law will not apply in 2022, but will resume in 2023, and will continue to be increased annually each year thereafter.