

ASSEMBLY, No. 479

STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel

PRE-FILED FOR INTRODUCTION IN THE 1996 SESSION

By Assemblywoman VANDERVALK

1 AN ACT concerning the certificate of need requirement and amending  
2 P.L.1992, c.160.

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

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

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

12 Community-based primary care centers;  
13 Outpatient drug and alcohol services;  
14 Ambulance and invalid coach services;  
15 Mental health services which are non-bed related outpatient  
16 services;

17 Changes in residential health care facility services;

18 Mandatory renovations to existing facilities;

19 Mandatory replacement of fixed or moveable equipment;

20 Transfer of ownership interest except in the case of acute care  
21 hospitals and long-term care facilities in which the owner does not  
22 satisfy the Department of Health's review of the owner's prior  
23 operating experience as well as any requirements established by the  
24 federal government pursuant to Titles XVIII and XIX of the Social  
25 Security Act;

26 Change of site for approved certificate of need within the same  
27 county;

28 Relocation or replacement of a health care facility within the same  
29 county except for an acute care hospital;

30 Continuing care retirement communities authorized pursuant to  
31 P.L.1986, c.103 (C.52:27D-330 et seq.);

32 Acquisition by a hospital of a magnetic [reasonance] resonance

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

**Matter underlined thus is new matter.**

1 imager that is already in operation in the State by another health care  
2 provider or entity;  
3 Adult day health care facilities; and  
4 Pediatric day health care facilities[; and  
5 Chronic renal dialysis facilities].  
6 (cf: P.L.1992, c.160, s.19)

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8 2. This act shall take effect on January 1, 1993 and if enacted after  
9 that date shall be retroactive to January 1, 1993.

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12 STATEMENT

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14 This bill removes chronic renal dialysis facilities from the list of  
15 health care facilities and services exempted from the certificate of need  
16 requirement under section 19 of P.L.1992, c.160 (C.26:2H-7a).

17 The exemption of this health care service is contrary to other  
18 provisions of P.L.1992, c.160, which preserve the requirement for a  
19 certificate of need for similar tertiary care services in order to control  
20 costly duplication of services. Deregulation of this clinical service  
21 would create hardships on urban hospitals which have made substantial  
22 investments in renal dialysis facilities and would place them at a  
23 competitive disadvantage with respect to the initiation of replacement  
24 tertiary care services that are currently not exempt from the certificate  
25 of need requirement.

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30 Removes chronic renal dialysis facilities from list of health care  
31 facilities and services exempted from certificate of need requirement.