

ASSEMBLY, No. 945

STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel

PRE-FILED FOR INTRODUCTION IN THE 1996 SESSION

By Assemblyman FELICE

1 AN ACT concerning old age and permanent disability assistance and
2 amending P.L.1973, c.256.

3

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

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7 1. Section 3 of P.L.1973, c.256 (C.44:7-87) is amended to read as
8 follows:

9 3. The commissioner shall:

10 a. Enter into agreements with the government to secure the
11 administration of supplementary payments by the government for such
12 time and upon such conditions as the commissioner may in his
13 discretion deem appropriate.

14 b. Promulgate, alter and amend such rules, regulations and
15 directory orders as are necessary and proper:

16 (1) To implement the terms of the agreement with the government
17 for the administration by the government of supplementary payments;
18 and

19 (2) To secure social services for eligible persons, and for such
20 other aged, blind or disabled persons as the commissioner may
21 designate.

22 c. Transfer State or welfare board funds, or both, currently
23 appropriated for this State's participation in the federal categorical
24 assistance programs of "Old Age Assistance," R.S.44:7-3 to
25 R.S.44:7-37, "Assistance for the Blind," P.L.1962, c.197 (C.44:7-43
26 to 44:7-49) and "Permanent and Total Disability Assistance,"
27 P.L.1951, c.139 (C.44:7-38 to 44:7-42) and any funds which may in
28 the future be appropriated for the payment of supplementary
29 payments, to the government in such amounts and at such times as the
30 commissioner shall deem appropriate in order to provide for
31 supplementary payments to eligible persons in this State; except that
32 the commissioner shall annually increase the State supplementary

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 payments to eligible persons residing in residential health care facilities
2 by a percentage equal to any percentage increase in the federal
3 government's supplemental security income payments.

4 d. Pay to the government such funds as are necessary to reimburse
5 the government's expenses in collecting additional information needed
6 for the State to make eligibility determinations for medical assistance
7 under the New Jersey Medical Assistance and Health Services Act,
8 P.L.1968, c.413 (C.30:4D-1 to 30:4D-19).

9 e. Require welfare boards to perform such eligibility determinations
10 as the commissioner may deem necessary for the continuation of the
11 New Jersey Medical Assistance Program under the New Jersey
12 Medical Assistance and Health Services Act, P.L.1968, c.413. The
13 commissioner shall pay to the counties a reasonable amount to
14 reimburse the welfare boards for their expenses in making such
15 eligibility determinations.

16 f. Assess welfare boards at the beginning of each fiscal year in the
17 same proportion that the counties currently participate in the federal
18 categorical assistance programs in order to obtain the amount of each
19 county's share of supplementary payments for eligible persons in this
20 State based upon the number of eligible persons in the county. The
21 assessment shall be made as of January 1, 1974 for fiscal year 1974.
22 In the event that the assessment against welfare boards in any one year
23 exceeds the amount annually transferred to the government for the
24 counties' portion of supplementary payments, the commissioner shall
25 return the excess to the welfare boards in the same proportion as that
26 used by the commissioner in assessing the welfare boards for the fiscal
27 year involved.

28 g. Take appropriate steps to secure maximum federal financial
29 participation in providing assistance to eligible persons residing in
30 residential health care facilities.

31 h. Ensure that any eligible person residing in a rooming or boarding
32 house or residential health care facility has reserved to him a monthly
33 amount, from payment received under the provisions of the act to
34 which this act is a supplement or from any other income, as a personal
35 needs allowance. The personal needs allowance may vary according
36 to the type of facility in which an eligible person resides, but in no case
37 shall be less than \$25.00 per month.

38 i. Ensure that any eligible person who receives medical assistance
39 under subparagraph 4(a) of subsection a. or under subparagraph (11),
40 (13) or (14) of subsection b. of section 6 of P.L.1968, c.413
41 (C.30:4D-6) receives \$10.00 per month, in addition to benefits
42 received pursuant to 42 U.S.C. §1382 (e) (1) (B). If the government
43 cannot administer this \$10.00 monthly increase, the commissioner shall
44 administer this increase and shall ensure that this increase is not
45 considered income, for Supplemental Security Income Program
46 purposes. However, if the government increases the benefit level

1 under 42 U.S.C. §1382 (e) (1) (B), the commissioner shall allow the
2 government to administer this increase and shall reduce its payment to
3 an eligible recipient by an equal amount.

4 (cf: P.L.1991, c.466, s.1)

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6 2. This act shall take effect immediately.

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9 STATEMENT

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11 This bill requires the Commissioner of Human Services to annually
12 increase the amount of State supplementary payments to individuals
13 residing in residential health care facilities (RHCs) by the same
14 percentage as any increase in the federal government's supplemental
15 security income (SSI) payments to those individuals.

16 Currently, the basic State supplementary payment to individuals
17 residing in RHCs is \$131.30 a month. With the inclusion of the
18 Lifeline utility supplement received by SSI recipients residing in
19 RHCs, the amount of the State supplementary payment increases to
20 \$150.65 a month. The monthly federal SSI payment level for these
21 SSI recipients was increased effective January 1, 1994 from \$434.00
22 to \$446.00 (an increase of approximately 2.8%).

23 The bill is identical to Assembly Bill No. 778 (Felice) introduced
24 during the 1992-93 session. According to a fiscal note to that bill
25 prepared by the Office of Legislative Services, the Department of
26 Human Services (DHS) estimated its cost at \$415,958, \$494,045 and
27 \$547,271, respectively, over the next three fiscal years, while the
28 Office of Management and Budget (OMB) estimated the cost of
29 implementing the bill at \$356,519, \$482,561 and \$550,984,
30 respectively, over the same period. Both estimates assume the same
31 number of SSI recipients residing in RHCs. DHS assumed a higher
32 COLA than OMB (4 percent, 4.5 percent and 4.7 percent,
33 respectively, in each of the next three years compared to the 3 percent,
34 4 percent and 4.5 percent assumed by OMB). DHS also based the
35 COLA on the basic State supplement, excluding the Lifeline
36 supplement, whereas OMB included the Lifeline supplement as part of
37 the State's supplement.

38 The fiscal note to Assembly Bill No. 778 indicated that there is
39 some ambiguity as to whether "State supplementary payments" include
40 or exclude Lifeline utility supplements received by SSI recipients
41 residing in RHCs. DHS excluded Lifeline utility supplements from
42 its calculations, whereas OMB included Lifeline utility supplements in
43 its calculations. The inclusion or exclusion of Lifeline utility
44 supplements would cost or save the State about \$60,000 annually
45 (based on a 4 percent COLA and 6,600 SSI recipients).

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3 Provides for annual increase in State supplementary payments to
4 residents of residential health care facilities.