

[First Reprint]

ASSEMBLY RESOLUTION No. 168

STATE OF NEW JERSEY

INTRODUCED JUNE 9, 1997

By Assemblywomen VANDERVALK and QUIGLEY

1 **AN ASSEMBLY RESOLUTION** memorializing the President and Congress of the
2 United States to reject any federal budget proposal that includes a major
3 reduction in Medicaid disproportionate share payments to hospitals.
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5 **WHEREAS**, The United States Congress has crafted a bipartisan
6 agreement to balance the federal budget over a five-year period by
7 reducing Medicaid disproportionate share payments to hospitals by
8 approximately \$25 billion; and
9 **WHEREAS**, The Governor of this State has written to the members of the
10 United States Congress elected from the State to urge their reconsideration
11 of this proposed reduction in disproportionate share payments in light of the
12 number of New Jersey hospitals which would be adversely affected; and
13 **WHEREAS**, According to the New Jersey Hospital Association, 77 acute care
14 hospitals and 11 public psychiatric and special hospitals in this State that
15 serve low-income patients are eligible for these disproportionate share
16 payments by virtue of the uncompensated care that they provide; and
17 **WHEREAS**, This State and its hospitals are renowned for their single-tiered
18 system of providing health care services to the poor through a carefully
19 constructed safety net program that recognizes the vital role of acute care
20 provided by community-based and public psychiatric hospitals; and
21 **WHEREAS**, Reported data indicate that the number of hospital charity care
22 patients in this State, which includes the indigent, the working poor and
23 transient persons, has increased by nearly 30% since 1994, while annual
24 State funding for hospital charity care has decreased by more than 40%;
25 and it is estimated that, as a result of federal immigration policy and more
26 stringent Medicaid eligibility criteria, the number of hospital charity care
27 patients will increase by about 6,000 in 1997¹; and
28 **WHEREAS**, The issue of State funding for hospital charity care will have to be
29 addressed by the Governor and the Legislature prior to the scheduled

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.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Assembly AHL committee amendments adopted June 12, 1997.

1 expiration, on December 31, 1997, of the current statutory provisions for
2 charity care funding, which rely upon 50% federal financial participation in
3 the provision of Medicaid disproportionate share payments to hospitals;
4 and

5 **WHEREAS**, The hospitals and citizens of this State, as well as the Governor
6 and the Legislature, are committed to protecting the statutorily guaranteed
7 right of every patient to have access to hospital care and the provision of
8 appropriate health care services regardless of a patient's ability to pay or
9 source of payment; now, therefore,

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11 **BE IT RESOLVED** *by the General Assembly of the State of New Jersey:*

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13 1. This House memorializes the President and the Congress of the United
14 States to reject any federal budget proposal that includes a major reduction
15 in Medicaid disproportionate share payments to hospitals.

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17 2. A duly authenticated copy of this resolution, signed by the Speaker of
18 the General Assembly, and attested by the Clerk of the General Assembly,
19 shall be forwarded to the President of the United States, the United States
20 Secretary of Health and Human Services, and each member of the United
21 States Congress elected from the State of New Jersey.

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26 Memorializes President and Congress to reject any budget proposal that
27 includes a major reduction in Medicaid disproportionate share payments to
28 hospitals.