

ASSEMBLY RESOLUTION No. 49

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 5, 1996

By Assemblymen STEELE and PASCRELL

1 AN ASSEMBLY RESOLUTION urging the Governor and the Commissioner of
2 Human Services to rescind the new Medicaid nursing home rate reduction.

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4 WHEREAS, The Department of Human Services implemented a \$36 million
5 reduction in Medicaid nursing home reimbursement rates effective April 1,
6 1995, which would reduce State expenditures by \$18 million in the State
7 budget for Fiscal Year 1996; and

8 WHEREAS, This reduction in Medicaid rates, which was adopted in the New
9 Jersey Register on March 20, 1995, affects 315 nursing homes Statewide
10 which care for approximately 31,000 Medicaid patients; and

11 WHEREAS, Nursing home operators already contend that Medicaid rates do
12 not cover the full cost of caring for Medicaid patients and providing for
13 adequate management and maintenance of their facilities; and

14 WHEREAS, The reduction in Medicaid rates will adversely affect the quality of
15 nursing home care provided to Medicaid and private pay patients, and will
16 especially impact those facilities which are occupied almost exclusively by
17 Medicaid patients and cannot therefore cost shift to private pay patients;
18 and

19 WHEREAS, Nursing home operators and advocates have contended that they
20 were afforded an inadequate opportunity to discuss this rate reduction with
21 officials of the Division of Medical Assistance and Health Services, which
22 administers the Medicaid program, before the reduction was announced;
23 and

24 WHEREAS, The State has a clear and urgent obligation to protect the interests
25 of nursing home residents, and to ensure that the State budget is not
26 balanced on the backs of those who are among the most frail and
27 vulnerable residents of this State, whose well-being is potentially at risk due
28 to the Medicaid rate reduction; now, therefore,

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

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32 1. The Governor and the Commissioner of Human Services are
33 respectfully urged to rescind the Medicaid nursing home rate reduction which
34 became effective on April 1, 1995.

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1 2. A duly authenticated copy of this resolution, signed by the Speaker of
2 the General Assembly and attested by the Clerk of the General Assembly,
3 shall be forwarded to the Governor and the Commissioner of Human Services.
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STATEMENT

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8 This resolution urges the Governor and the Commissioner of Human
9 Services to rescind the Medicaid nursing home rate reduction which became
10 effective on April 1, 1995.

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16 Urges Governor and Commissioner of Human Services to rescind Medicaid
nursing home rate reduction.