

CHAPTER 304

AN ACT concerning payments by health service corporations for certain health services and amending P.L.1971, c.136.

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

1. Section 18 of P.L.1971, c.136 (C.26:2H-18) is amended to read as follows:

C.26:2H-18 License, authorization required for receipt of reimbursement, grant-in-aid.

18. a. No government agency and no health service corporation organized under the laws of the State and no other purchasers of health care services shall purchase, pay for or make reimbursement or grant-in-aid for any health care service provided by a health care facility unless at the time the service was provided, the health care facility possessed a valid license or was otherwise authorized to provide such service.

b. (Deleted by amendment, P.L.1992, c.160).

c. Payment by government agencies other than those made through the "New Jersey Medical Assistance and Health Services Act," P.L.1968, c.413 (C.30:4D-1 et seq.) for health services provided by health care facilities other than hospitals shall be at reasonable rates set by the commissioner based on financial elements approved by him; provided, however, that nothing herein shall be construed to prohibit the Commissioner of Human Services from contracting with the commissioner for the setting of rates by which health care facilities other than hospitals are reimbursed pursuant to the "New Jersey Medical Assistance and Health Services Act," P.L.1968, c.413 (C.30:4D-1 et seq.).

d. (Deleted by amendment, P.L.1992, c.160).

e. To establish and maintain a fair and equitable system for determining such payments, the commissioner shall require each health care facility to report such financial, statistical and patient information as may be required, in accordance with a uniform system of reporting established by him. The commissioner may propose regulations for approval by the board which assess penalties for failure to report such information within such time as may be prescribed therein.

2. This act shall take effect immediately.

Approved January 8, 1998.