

[First Reprint]
SENATE, No. 43

STATE OF NEW JERSEY

INTRODUCED JANUARY 18, 1996

By Senators LITTELL and LaROSSA

1 AN ACT concerning the reporting of health care expenditures and
2 supplementing Title 26 of the Revised Statutes.

3

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

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7 1. The Legislature finds and declares that the public interest
8 requires a full and complete reporting to the Governor and Legislature
9 on a continuous basis by the Department of Health with regard to
10 Statewide health care expenditures, based upon required annual
11 surveys, which will ensure that State efforts to achieve health care
12 expenditure savings are informed by the most reliable current data and
13 trends with respect to costs and the various sources thereof in
14 recognition of the importance of the health care industry to this State
15 and its impact on every citizen residing in New Jersey.

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17 2. The Commissioner of Health, in conjunction with the
18 Commissioners of Human Services, Insurance, Commerce and
19 Economic Development, and Labor, and the Health Information
20 Electronic Data Interchange Policy Council established pursuant to
21 P.L. , c. (C.)(pending before the Legislature as Senate
22 Bill No. ¹⁵⁰ or Assembly Bill No. ¹⁴⁷⁶ of 1996), shall present an
23 annual report to the Governor and the Legislature on Statewide health
24 care expenditures based upon a survey of health care facilities and
25 providers, health insurers, ¹insurers writing automobile insurance and
26 workers' compensation insurance.¹ business and organized labor. The
27 Commissioner of Health may contract with an independent agency or
28 organization to conduct the survey and prepare the report.

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30 The report shall include, at a minimum, the following: total health
31 care expenditures Statewide; a breakdown of public and private
expenditures and expenditures by type of health care service category,

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 Senate SHH committee amendments adopted February 22, 1996.

1 paralleling national health care expenditure categories utilized by the
2 United States Health Care Financing Administration; a comparison of
3 expenditures by category from the previous annual report to the
4 current report; expenditure comparisons by category with the most
5 recent national health care expenditure data available; identified means
6 of achieving health care expenditure savings consistent with
7 maintaining health care quality and access to services; and any
8 recommendations for legislative or administrative action to effectuate
9 these savings.

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11 3. The Commissioner of Health shall include in the report prepared
12 pursuant to section 2 of this act detailed financial information about
13 administrative cost savings achieved by acute care hospitals as a result
14 of increased utilization of electronic data interchange technology. The
15 commissioner shall determine the specific information to be included
16 in the report in consultation with the Health Information Electronic
17 Data Interchange Policy Council established pursuant to P.L. , c.
18 (C.)(pending before the Legislature as Senate Bill No. or
19 Assembly Bill No. of 1996). The commissioner shall solicit and be
20 entitled to receive this information from each acute care hospital as
21 part of the survey conducted pursuant to section 2 of this act.

22 As used in this section, "electronic data interchange technology"
23 means computer equipment or software which permits the electronic
24 transmission of a business document in a standard format.

25
26 4. This act shall take effect immediately.
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31 Requires Commissioner of Health to report annually to Governor and
32 Legislature on health care expenditures in NJ.