

SENATE, No. 1138

STATE OF NEW JERSEY

INTRODUCED MAY 9, 1996

By Senator DiFRANCESCO

1 AN ACT concerning the Health Care Subsidy Fund and amending and  
2 supplementing P.L.1992, c.160.

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

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7 1. Section 15 of P.L.1992, c.160 (C.26:2H-18.65) is amended to  
8 read as follows:

9 15. There is established in the Department of Health the Health  
10 Access New Jersey program. The purpose of the program is to  
11 provide subsidies for health benefits coverage, in order to provide for  
12 health care [which shall be delivered in disproportionate share  
13 hospitals and by other community-based health care providers] for  
14 low income, uninsured children, working people and those temporarily  
15 unemployed, based on a sliding income scale with modest copayments.  
16 The program shall include the provision of early preventive and  
17 primary care [to help reduce costs for families and individuals].

18 The commissioner shall adopt regulations pursuant to the  
19 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et  
20 seq.) that determine eligibility for the program and the allocation of  
21 all funds in this account.

22 The commissioner shall contract with health insurance carriers,  
23 health maintenance organizations and other appropriate entities in the  
24 State to administer the program.

25 (cf: P.L.1995, c.133, s.10)

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27 2. Section 16 of P.L.1992, c.160 (C.26:2H-18.66) is amended to  
28 read as follows:

29 16. The Health Access New Jersey subsidy account shall be  
30 allocated \$50 million in 1995, [~~\$100~~] \$10 million in 1996, and [~~\$150~~]  
31 \$25 million in 1997 [and each year thereafter].

32 (cf: P.L.1995, c.133, s.11)

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34 3. (New section) The Health Access New Jersey subsidy account

**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 in the Health Care Subsidy Fund shall be funded with General Fund  
2 revenues in the following amounts: in calendar year 1996, \$10 million;  
3 and in calendar year 1997, \$25 million.

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5 4. (New section) The Commissioner of Health shall transfer to the  
6 Division of Alcoholism, Drug Abuse and Addiction Services in the  
7 Department of Health from the Health Care Subsidy Fund, \$10 million  
8 in Fiscal Year 1997 and \$20 million in Fiscal Year 1998 and each fiscal  
9 year thereafter, or such sums as are made available pursuant to section  
10 5 of P.L. , c. (C. )(pending before the Legislature as this  
11 bill), whichever amount is less, according to a schedule to be  
12 determined by the Commissioner of Health, to fund community-based  
13 drug abuse treatment programs in the following order of priority:  
14 residential, inpatient, intensive day and outpatient treatment.

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16 5. (New section) The State Treasurer shall transfer to the Health  
17 Care Subsidy Fund established pursuant to section 8 of P.L.1992,  
18 c.160 (C.26:2H-18.58), revenues generated from third party liability  
19 recoveries by the State for the purposes provided in section 4 of  
20 P.L. , c. (C. )(pending before the Legislature as this bill).

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22 6. This act shall take effect immediately.

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25 STATEMENT

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27 This bill clarifies that the purpose of the Health Access New Jersey  
28 subsidized insurance program established pursuant to P.L.1992, c.160  
29 (C.26:2H-18.51 et al.) shall be to provide health insurance coverage  
30 for low-income, uninsured children as well as working people and  
31 those temporarily unemployed. The bill funds the program at \$10  
32 million in 1996 and \$25 million in 1997 from General Fund revenues  
33 appropriated to the Health Access New Jersey subsidy account in the  
34 Health Care Subsidy Fund.

35 The bill also provides funding for community-based drug abuse  
36 treatment programs in the amount of up to \$10 million in 1996 and  
37 \$20 million in 1997 and each succeeding year. These revenues will be  
38 generated from third party liability recoveries by the State.

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43 Provides funding for Health Access NJ program and drug abuse  
44 treatment programs.