

SENATE, No. 2258

STATE OF NEW JERSEY

INTRODUCED NOVEMBER 17, 1997

By Senators SCOTT, McNAMARA, Kosco and Cardinale

1 AN ACT concerning certain maintenance costs for mentally ill and
2 developmentally disabled patients in State institutions.

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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. If a county of the first class with a population greater than
8 800,000 according to the 1990 federal decennial census, has taken
9 credits on charges to the county from the State for maintenance costs
10 for mentally ill patients and developmentally disabled federal Medicaid
11 and Medicare recipients in State institutions, pursuant to court orders,
12 the State shall waive any outstanding repayment by the county for
13 those credits and shall reimburse that county for prior payments.

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15 2. This act shall take effect immediately.

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STATEMENT

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20 This bill requires the State to waive Bergen county's repayment to
21 the State of the remaining funds owed the State as a result of the court
22 decisions in County of Essex v. Waldman, 244 N.J. Super. 647 (App.
23 Div.1990) (hereafter Essex I) and County of Essex v. Com'r DHS, 252
24 N.J. Super. 1 (App. Div. 1991) (hereafter Essex II). The bill also
25 requires the State to reimburse the county for prior payments which
26 Bergen county made to the State in connection with these court
27 decisions. The total amount for repayment and reimbursement to
28 Bergen county equals \$6,111,166.

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30 In Essex I, the Appellate Court affirmed the lower court's decision
31 that the State's practice of retaining 50% of maintenance payments
32 received in the form of Social Security benefits on behalf of indigent
33 patients in State institutions violated the provisions of N.J.S.A. 30:4-
34 60. However, the Appellate Court did not affirm the lower court's
35 decision to make the ruling retroactive to January 1, 1980. Similarly,
36 in Essex II, the Appellate Court affirmed the lower court's decision
37 that the State had wrongfully charged counties for maintenance costs
for developmentally disabled persons in State institutions and facilities

1 in cases where the State had received federal Medicaid and Medicare
2 benefits, in violation of N.J.S.A.30:4-68.1.

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7 Waives repayment and reimburses certain county for maintenance
8 costs for developmentally disabled and mentally ill persons in State
9 institutions.