

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

SENATE, No. 3633

STATE OF NEW JERSEY

DATED: JUNE 22, 2021

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 3633 (1R).

This bill increases the income eligibility limits established in the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program to \$38,769 for single persons and \$45,270 combined income for married couples. Under the Senior Gold Prescription Discount Program, income eligibility limits are \$10,000 higher than PAAD income eligibility limits. Therefore, this bill will increase income eligibility limits under the Senior Gold Prescription Discount program to \$48,769 for single persons and \$55,270 combined income for married couples.

Currently, the PAAD income limits for 2021 are \$28,769 for single persons and \$35,270 combined income for married couples. Although the PAAD law states that income eligibility limits are \$16,624 and \$20,383 for single persons and married couples, respectively, an annual cost-of-living increase in income eligibility limits was adopted effective January 1, 1996, which has increased these eligibility levels each year.

As amended by the committee, this bill retains the annual cost-of-living increase, but raises the overall income eligibility levels for the program, effective January 1, 2022. The annual cost-of-living increase will not be applied in calendar year 2022, but will resume effective January 1, 2023, and will be applied annually thereafter as provided under current law.

FISCAL IMPACT:

Fiscal information for this bill is currently unavailable.