ASSEMBLY, No. 3678

STATE OF NEW JERSEY

220th LEGISLATURE

INTRODUCED MARCH 21, 2022

Sponsored by: Assemblyman STERLEY S. STANLEY District 18 (Middlesex) Assemblyman HERB CONAWAY, JR. District 7 (Burlington)

SYNOPSIS

Requires DHS to conduct annual Medicaid eligibility redeterminations.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 5/2/2022)

A3678 STANLEY, CONAWAY

AN ACT providing for annual Medicaid eligibility redeterminations 2 and supplementing Title 30 of the Revised Statutes.

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

- 1. a. As used in this section:
- "Beneficiary" means an individual eligible for medical assistance through the Medicaid program established pursuant to P.L.1968, c.413 (C.30:4D-1 et seq.) or the NJ FamilyCare program, established pursuant to P.L.2005, c.156 (C.30:4J-8 et al.).
- "Commissioner" means the Commissioner of Human Services.
- "Division" means the Division of Medical Assistance and Health
 Services in the Department of Human Services.

"Eligibility redetermination" means the administrative process by which the division or a county welfare agency reviews a beneficiary's income, financial resources, and circumstances relating to the beneficiary's application for continuation of benefits received under the Medicaid or the NJ FamilyCare programs.

- b. The division or a county welfare agency shall conduct an eligibility redetermination for a beneficiary no less than 365 days following the date of the beneficiary's initial enrollment, or the date of the beneficiary's last eligibility redetermination, in the Medicaid program, established pursuant to P.L.1968, c.413 (C.30:4D-1 et seq.), or the NJ FamilyCare program, established pursuant to P.L.2005, c.156 (C.30:4J-8 et al.). The commissioner shall determine the means and method by which an eligibility redetermination shall be conducted.
- c. The commissioner shall provide for 12 months of continuous Medicaid eligibility, without imposing any reporting requirements regarding changes of income or resources, for adult eligibility groups, regardless of the delivery system through which the beneficiary receives benefits and to the extent permitted under federal law and regulation.
- d. The commissioner shall apply for such State plan amendments or waivers as may be necessary to implement the provisions of this act and to secure federal financial participation for State Medicaid expenditures under the federal Medicaid program.

2. The Commissioner of Human Services shall adopt rules and regulations pursuant to the "Administrative Procedure Act" P.L.1968, c.410 (C.52:14B-1 et seq.) to effectuate the purposes of this act.

3. This act shall take effect on the first day of the month following the expiration of the federal public health emergency declared in response to the SARS-CoV-2 pandemic, except that the

A3678 STANLEY, CONAWAY

commissioner may take any anticipatory administrative action in advance thereof as may be necessary for the implementation of this act

STATEMENT

This bill requires the Division of Medical Assistance and Health Services in the Department of Human Services or a county welfare agency to conduct eligibility redeterminations for Medicaid and NJ FamilyCare beneficiaries no less than every 365 days. The bill additionally requires that the Commissioner of Human Services is to determine the means and method by which the annual eligibility redetermination is to be conducted. Currently, New Jersey statute does not specify the frequency with which Medicaid and NJ FamilyCare eligibility redeterminations are to occur.

The bill further requires the commissioner, to the extent permitted under federal law and regulation, to provide for 12 months of continuous Medicaid eligibility, without imposing reporting requirements for changes of income or resources, for adult beneficiary groups, regardless of the delivery system through which the beneficiary receives benefits.

The State has temporarily paused Medicaid and NJ FamilyCare eligibility redeterminations pursuant to the federal Families First Coronavirus Response Act (Pub.L.116-127). This law requires that the State, as a condition for receipt of an enhanced federal matching percentage under Medicaid and the Children's Health Insurance Program, continue Medicaid and NJ FamilyCare coverage for all individuals enrolled on or after March 18, 2020, until the last day of the month in which the federal public health emergency period ends, regardless of any changes in the individual's circumstances that would otherwise result in termination from the program. On January 14, 2022, the Secretary of the United States Department of Health and Human Services extended the federal public health emergency for an additional 90 days.

It is the intent of the bill's sponsor to reduce the frequency of coverage disruptions and coverage loss among Medicaid and NJ FamilyCare beneficiaries, a process known as "churn," by limiting the frequency with which Medicaid eligibility redeterminations are conducted. Research shows that reductions in churn among Medicaid beneficiaries lowers states' administrative costs and may be associated with a reduction in beneficiary medical costs.