

SENATE, No. 3918

STATE OF NEW JERSEY
220th LEGISLATURE

INTRODUCED JUNE 5, 2023

Sponsored by:

Senator ANTHONY M. BUCCO

District 25 (Morris and Somerset)

SYNOPSIS

Establishes initiatives related to behavioral health care, including increasing reimbursement rates, providing cost-of-living adjustments, establishing grant programs for facility upkeep and provider training, and relaxing clinical supervision requirements.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning behavioral health care and supplementing Title
2 30 and Title 45 of the Revised Statutes.

3

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

6

7 1. As used in sections 1 through 3 of P.L. , c. (C.)
8 (pending before the Legislature as this bill):

9 “Behavioral health service” means a procedure or service
10 rendered by a behavioral health professional for the treatment of
11 mental illness, emotional disorders, or substance use disorder.

12 “Behavioral health professional” means a physician, a physician
13 assistant or advanced practice nurse with a specialty in behavioral
14 health care, a clinical social worker, a social worker, a marriage and
15 family therapist, a professional counselor, an associate counselor, a
16 rehabilitation counselor, a clinical mental health counselor, a
17 licensed or certified alcohol and drug counselor, a psychologist, or a
18 psychoanalyst.

19 “Department” means the Department of Human Services.

20 “Medicaid” means the Medicaid program established pursuant to
21 P.L.1968, c.413 (C.30:4D-1 et seq.).

22

23 2. a. Notwithstanding any other provision of law to the contrary,
24 the terms of a contract entered into between the Division of Mental
25 Health and Addiction Services in the Department of Human Services
26 and a residential behavioral health service provider on or after the
27 effective date of this act shall include an annual increase in the cost of
28 living adjustment received by the residential behavioral health service
29 provider. The cost of living adjustment shall be based on the
30 Consumer Price Index for the previous 12-month period beginning
31 October 1 and ending September 30, as published by the United States
32 Department of Labor.

33 b. On October 1 of each year, the department shall announce the
34 rate of the increase in the cost of living adjustment received by
35 residential behavioral health service providers.

36

37 3. There is established in the Division of Mental Health and
38 Addiction Services in the Department of Human Services a
39 revolving, non-lapsing fund to be known as the “Residential
40 Behavioral Health Care Access and Improvement Fund,” which
41 fund shall be the repository for monies appropriated or otherwise
42 made available for the purpose of providing grants to residential
43 behavioral health service providers to support routine repairs and
44 maintenance in residential behavioral health service facilities. The
45 Assistant Commissioner of Mental Health and Addiction Services
46 in the Department of Human Services shall develop procedures for
47 residential behavioral health service providers to apply for, and for
48 the division to award, grants from the fund for the purpose of

1 offsetting the cost of repairs and maintenance in residential
2 behavioral health service provider facilities. In addition, the
3 assistant commissioner shall develop and enforce appropriate
4 safeguards to ensure grants awarded from the fund are used
5 exclusively for the purposes outlined in this section.

6

7 4. a. As used in this section:

8 “Behavioral health service” means a procedure or service
9 rendered by a behavioral health professional for the treatment of
10 mental illness, emotional disorders, or substance use disorder.

11 “Behavioral health professional” means a physician, a physician
12 assistant or advanced practice nurse with a specialty in behavioral
13 health care, a clinical social worker, a social worker, a marriage and
14 family therapist, a professional counselor, an associate counselor, a
15 rehabilitation counselor, a clinical mental health counselor, a
16 licensed or certified alcohol and drug counselor, a psychologist, or a
17 psychoanalyst.

18 “Medicaid” means the Medicaid program established pursuant to
19 P.L.1968, c.413 (C.30:4D-1 et seq.).

20 “Medicare” means the federal Medicare program established
21 pursuant to Pub.L.89-97 (42 U.S.C. s.1395 et seq.).

22 b. Commencing on July 1, 2024, and annually thereafter, the
23 Medicaid reimbursement rate for residential behavioral health
24 services shall be no less than 100 percent of the payment rate that
25 applies to such services under part B of Medicare.

26 c. For the purposes of this section, residential behavioral health
27 services shall include behavioral health services furnished in a
28 residential or inpatient health care setting by a health care provider.

29 d. The provisions of this section shall not be construed to
30 require any decrease in the Medicaid reimbursement rate for a
31 residential behavioral health service from the previous fiscal year’s
32 reimbursement level for the same service.

33 e. The provisions of this section shall apply to residential
34 behavioral health services:

35 (1) reimbursed under the Medicaid fee-for-service delivery
36 system or through the Medicaid managed care delivery system, and

37 (2) delivered by an approved Medicaid provider.

38 f. No later than July 1, 2026, and annually thereafter, the
39 Commissioner of Human Services shall submit a report to the
40 Governor, and to the Legislature pursuant to section 2 of P.L.1991,
41 c.164 (C.52:14-19.1), providing information on the implementation
42 of this section, including data indicating any changes in access to
43 residential behavioral health services or in the quality of behavioral
44 health services for Medicaid beneficiaries following any rate
45 increases required under this section. The report shall include
46 recommendations for additional enhancements to the Medicaid rates
47 for behavioral health services to improve access to providers and

1 quality of care for Medicaid beneficiaries in underserved areas of
2 the State.

3

4 5. a. As used in this section:

5 “Behavioral health service” means a procedure or service
6 rendered by a behavioral health professional for the treatment of
7 mental illness, emotional disorders, or substance use disorder.

8 “Behavioral health professional” means a physician, a physician
9 assistant or advanced practice nurse with a specialty in behavioral
10 health care, a clinical social worker, a social worker, a marriage and
11 family therapist, a professional counselor, an associate counselor, a
12 rehabilitation counselor, a clinical mental health counselor, a
13 licensed or certified alcohol and drug counselor, a psychologist, or a
14 psychoanalyst.

15 “Director” means the Director of the Division of Consumer
16 Affairs in the Department of Law and Public Safety.

17 b. There is established in the Division of Consumer Affairs in
18 the Department of Law and Public Safety a grant program to assist
19 in the training of behavioral health service professionals, expand the
20 pipeline of high-quality, trained professionals, and address
21 shortages in the behavioral health care workforce.

22 c. Grants under the program shall be awarded on a competitive
23 basis to entities with internship programs in behavioral health care
24 and entities seeking to establish internship programs in behavioral
25 health care, which grants shall be used by the entities to compensate
26 interns for their time participating in the internship program,
27 compensate program instructors for their time providing supervision
28 to interns participating in the internship program, and foster the
29 development of additional behavioral health care internship slots
30 and new behavioral health care internship programs.

31 d. To be eligible for consideration of a grant award under the
32 program, an entity with an internship program in behavioral health
33 care or that is seeking to establish an internship program in
34 behavioral health care shall submit an application to the director, in
35 accordance with application procedures and requirements
36 prescribed by the director. At a minimum, a grant application
37 submitted pursuant to this subsection shall include the following:

38 (1) details concerning the applicant’s current internship program,
39 if any, including the types of behavioral health service professionals
40 participating in the internship program, the total number of
41 internship slots available under the program, whether interns are
42 paid while participating in the program and the amount they are
43 paid, if applicable, and the overall number of applications to
44 participate in the internship program that were submitted in the
45 preceding academic year;

46 (2) details concerning the purposes for which the applicant
47 intends to use grant funds;

1 (3) details concerning the amount the applicant is requesting in
2 grant funds;

3 (4) the applicant's objectives with regard to expanding
4 internship opportunities and expanding the behavioral health care
5 workforce through a grant awarded under the program;

6 (5) the applicant's plans to collaborate with federal, State,
7 regional, and local entities to expand the pipeline of behavioral
8 health service professionals both locally and Statewide; and

9 (6) any other information as required by the director.

10 e. The director shall establish:

11 (1) selection criteria for awarding grants under the program,
12 including consideration of the information submitted with an
13 application pursuant to subsection d. of this section;

14 (2) requirements for determining the amount for each grant
15 award, which shall be based upon review of the applications
16 submitted and the availability of funds; and

17 (3) appropriate safeguards to ensure grants awarded under the
18 program are used exclusively for the purposes outlined in this
19 section and consistent with the purposes outlined in the awardee's
20 grant application.

21 f. The director shall annually apply for and use any federal
22 grant funds or other federal assistance which may be available to be
23 used for the grant program established pursuant to this section and
24 may, if applicable, apply for federal grant funds or other federal
25 assistance on behalf of one or more entities approved for
26 participation in the grant program. In awarding grants under the
27 program, the director shall expend available federal funds before
28 expending State funds.

29 g. Within three years after receiving a grant award under the
30 program, the entity awarded the grant shall submit a report to the
31 director concerning the entity's use of the grant funds. The report
32 shall include, at a minimum, information on the number of interns
33 and internship program instructors receiving compensation using
34 the grant award, the number of new internship slots created and
35 supported using the grant award, the number of interns who
36 successfully completed the internship program and the number of
37 interns who left the internship program prior to completion, the
38 number of interns who became employed as behavioral health
39 professionals within 12 months of completing the internship
40 program, and any notable changes in behavioral health intern and
41 instructor recruitment, retention, and employment rates following
42 the award of the grant.

43 h. Commencing four years after the effective date of this act,
44 and annually thereafter, the director shall submit a report to the
45 Governor, and to the Legislature pursuant to section 2 of P.L.1991,
46 c.164 (C.52:14-19.1), concerning the implementation of the grant
47 program established pursuant to this section. The report shall
48 include, but shall not be limited to, information on the number of

1 grant applicants, the number and amounts of grants awarded,
2 information provided by entities awarded grants under the program
3 in the reports submitted pursuant to subsection g. of this section,
4 and any recommendations concerning the continuation or expansion
5 of the grant program.

6
7 6. For the purposes of meeting clinical supervision
8 requirements for licensure as a clinical social worker or
9 professional counselor, the Director of the Division of Consumer
10 Affairs in the Department of Law and Public Safety shall authorize
11 both licensed clinical social workers and licensed professional
12 counselors to provide clinical supervision to candidates for
13 licensure as a clinical social worker or professional counselor. An
14 applicant for licensure as a clinical social worker or as a
15 professional counselor who otherwise meets the requirements for
16 licensure shall be issued the requisite license regardless of whether
17 the applicant completed the clinical supervision requirements for
18 licensure under the supervision of a licensed clinical social worker
19 or a licensed professional counselor.

20

21 7. a. The Commissioner of Human Services shall adopt rules
22 and regulations, pursuant to the "Administrative Procedure Act,"
23 P.L.1968, c.410 (C.52:14B-1 et seq.), to effectuate the provisions of
24 sections 1 through 4 of this act.

25 b. The Director of the Division of Consumer Affairs in the
26 Department of Law and Public Safety shall adopt rules and
27 regulations, pursuant to the "Administrative Procedure Act,"
28 P.L.1968, c.410 (C.52:14B-1 et seq.), to effectuate the provisions of
29 sections 5 and 6 of this act.

30

31 8. The Commissioner of Human Services shall apply for such
32 State plan amendments or waivers as may be necessary to
33 implement the provisions of sections 1 through 4 this act and to
34 secure federal financial participation for State Medicaid
35 expenditures under the federal Medicaid program.

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37 9. This act shall take effect immediately.

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STATEMENT

41

42 This bill establishes certain initiatives related to behavioral
43 health care, including increasing Medicaid reimbursement rates,
44 providing cost-of-living adjustments for residential behavioral
45 health care facilities, establishing grant programs for facility upkeep
46 and provider training, and relaxing clinical supervision
47 requirements for certain professionals.

1 Specifically, the bill requires that contracts between the Division
2 of Mental Health and Addiction Services in the Department of Human
3 Services (DHS) and residential behavioral health service providers are
4 to include an annual cost of living increase adjustment based on the
5 Consumer Price Index for the previous 12-month period.

6 The bill establishes, in the Division of Mental Health and
7 Addiction Services (DMHAS) in the DHS, the “Residential
8 Behavioral Health Care Access and Improvement Fund,” which will
9 be dedicated to providing grants to residential behavioral health
10 service providers to support routine repairs and maintenance.

11 The bill provides that, commencing on July 1, 2024, the
12 Medicaid reimbursement rate for residential behavioral health
13 services is to equal to the payment rate that applies under Medicare
14 Part B. The Commissioner of Human Services will be required to
15 submit an annual report to the Governor and the Legislature
16 concerning the increased reimbursement rate, including changes in
17 access to services or in the quality of services for Medicaid
18 beneficiaries resulting from the rate increase, as well as
19 recommendations for additional enhancements to the Medicaid
20 rates.

21 The bill establishes a grant program in the Division of Consumer
22 Affairs in the Department of Law and Public Safety to assist in the
23 training of behavioral health service professionals, expand the
24 pipeline of high-quality, trained professionals, and address
25 shortages in the behavioral health care workforce. Grants under the
26 program will be awarded on a competitive basis to entities with or
27 seeking to establish internship programs in behavioral health care,
28 which grants are to be used to compensate interns and instructors
29 participating in the internship program and foster the development
30 of additional behavioral health internship slots and programs. Grant
31 awardees will be required to report to the Division of Consumer
32 Affairs concerning the use of grant funds, and the division will be
33 required to submit an annual report to the Governor and the
34 Legislature concerning the grant program.

35 The bill provides that, for the purposes of meeting clinical
36 supervision requirements, applicants for a clinical social worker or
37 professional counselor licensure may be supervised by either a
38 licensed clinical social worker or a licensed professional counselor.
39 Current law requires these applicants to be supervised by an
40 individual holding the same license as the applicant is seeking.