

SENATE, No. 3969

STATE OF NEW JERSEY 220th LEGISLATURE

INTRODUCED JUNE 15, 2023

Sponsored by:
Senator VIN GOPAL
District 11 (Monmouth)

SYNOPSIS

Allows for credit against contract cost for primary care services managed by health care provider for public employees and their dependents; allows referrals to other providers that have contractual relationship with such health care provider.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning health care services funded by a public
2 employer for its employees and their dependents and
3 supplementing Title 17B of the New Jersey Statutes.

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

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8 1. Notwithstanding any provision of law or regulation to the
9 contrary, a health care provider that is managing a medical home,
10 pursuant to a contract with a public employer, for public employees
11 and their dependents who are covered by the employer’s health
12 benefits program or plan may:

13 (a) provide a credit to the public employer toward the cost of the
14 contract awarded by the public employer to the health care provider
15 to manage a medical home model for health care services for the
16 public employees and their dependents; and

17 (b) refer public employees and their dependents, who receive
18 services through the medical home model to other providers with
19 whom the health care provider has a contractual relationship.

20 If provided, the amount of the credit permitted toward the cost of
21 the contract shall not exceed the amount of the payments received
22 by the health care provider from the health benefits program or plan
23 for claims submitted for provider services rendered to public
24 employees and their dependents.

25 Nothing in this section shall preclude the provider from billing
26 the health benefits program or plan on a fee-for-service basis when
27 such payments by the health benefits program or plan are used to
28 apply a credit toward the cost of the contract.

29 As used in this section “medical home” means on-site
30 physicians, nurses, and pharmacy and laboratory services, provided
31 at no cost to public employees and their dependents, when the
32 medical staff receive salaries and services are not provided on a fee-
33 for-service basis and when primary care, care coordination through
34 the use of health information technology and chronic disease
35 registries, and referrals for specialist care are provided.

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37 2. This act shall take effect immediately and shall be
38 retroactive to July 1, 2022.

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41 STATEMENT

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43 This bill provides that a health care provider that is managing a
44 medical home, pursuant to a contract with a public employer, for its
45 employees and their dependents, who are covered by the employer’s
46 health benefits program or plan may:

47 (a) provide a credit to the public employer toward the cost of the
48 contract awarded to the health care provider to manage a medical

1 home model for health care services for the public employees and
2 their dependents; and

3 (b) refer covered employees and their dependents, who receive
4 services through the medical home model to other providers with
5 whom the health care provider has a contractual relationship.

6 If provided, the amount of the credit permitted toward the cost of
7 the contract must not exceed the amount of the payments received
8 by the health care provider from the health care benefits program or
9 plan for claims submitted for provider services.

10 Nothing in this bill will preclude the provider from billing the
11 health benefits program or plan on a fee-for-service basis when
12 such payments by the health benefits program or plan are used to
13 apply a credit toward the cost of the contract.

14 As used in this bill, “medical home” means on-site physicians,
15 nurses, and pharmacy and laboratory services, provided at no cost
16 to public employees, and their dependents, when the medical staff
17 receive salaries and services are not provided on a fee-for-service
18 basis and when primary care, care coordination through the use of
19 health information technology and chronic disease registries, and
20 referrals for specialist care are provided.

21 The provisions of this bill will apply retroactively to July 1,
22 2022.