

**SENATE, No. 4068**

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**STATE OF NEW JERSEY**  
**220th LEGISLATURE**

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INTRODUCED NOVEMBER 27, 2023

**Sponsored by:**

**Senator M. TERESA RUIZ**

**District 29 (Essex)**

**Senator JOSEPH F. VITALE**

**District 19 (Middlesex)**

**Co-Sponsored by:**

**Senator Burgess**

**SYNOPSIS**

Requires Medicaid reimbursement rates for certain primary and mental health care services match reimbursement rates under Medicare.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 11/27/2023)**

1 AN ACT concerning Medicaid reimbursement for primary care and  
2 mental health services supplementing Title 30 of the Revised  
3 Statutes.

4

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

7

8 1. a. As used in this section:

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

11 “Medicare” means the federal program established pursuant to  
12 Pub.L.89-97 (42 U.S.C. s.1395 et seq.) as amended, or its successor  
13 plan or plans.

14 “Mental health services” means procedures or services rendered  
15 by a health care provider, in a traditional setting as well in an  
16 integrated behavioral health setting or via a collaborative care  
17 program, for the treatment of mental illness, emotional disorders, or  
18 substance use disorder.

19 “Midwife” means a midwife licensed by the State Board of  
20 Medical Examiners as a certified midwife, a certified nurse  
21 midwife, or a certified professional midwife.

22 “Primary care services” means the same as defined in section  
23 1202 of the federal “Health Care and Education Reconciliation Act of  
24 2010,” Pub.L. 111-152.

25 b. Commencing on July 1, 2023, and annually thereafter, the  
26 Medicaid reimbursement rate for primary care and mental health  
27 services shall be no less than 100 percent of the payment rate that  
28 applies to such services under part B of Medicare.

29 c. Primary care services as used in subsection b. of this section  
30 shall include those services furnished by:

31 (1) a physician with a primary specialty designation of family  
32 medicine, general internal medicine, general pediatric medicine, or  
33 obstetrics and gynecology;

34 (2) a health care professional, including, but not limited to, an  
35 advance practice nurse or a physician assistant, who is working in  
36 the area of family medicine, general internal medicine, general  
37 pediatric medicine, or obstetrics and gynecology; or

38 (3) a midwife.

39 d. Mental health services as used in subsection b. of this  
40 section shall include those services furnished by a provider listed in  
41 paragraphs (1), (2), or (3) of subsection c. of this section or a health  
42 care provider with one of the following specialty designations:  
43 licensed clinical social worker, psychologist, licensed professional  
44 counselor, licensed marriage and family therapist, licensed clinical  
45 alcohol and drug counselor, or psychiatrist.

46 e. The provisions of this section shall not be construed to  
47 require any decrease in the Medicaid reimbursement rate for a

1 primary care or mental health service from the previous fiscal  
2 year's reimbursement level for the same service.

3 f. The provisions of this section shall apply to primary care  
4 and mental health services:

5 (1) reimbursed under the Medicaid fee-for-service delivery  
6 system or through the Medicaid managed care delivery system; and

7 (2) delivered by an approved Medicaid provider.

8 g. No later than one year after the effective date of this act, the  
9 Commissioner of Human Services shall submit a report to the  
10 Governor and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-  
11 19.1), to the Legislature, providing information on the  
12 implementation of this section, including data indicating any  
13 changes regarding access to primary care and mental health  
14 services, as well as the quality of care of these services, for  
15 Medicaid beneficiaries following any rate increases required under  
16 this section. The report shall also include any recommendations for  
17 further enhancements to the Medicaid rates for these services to  
18 improve provider access and quality of care for Medicaid  
19 beneficiaries in underserved areas of the State.

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21 2. The Commissioner of Human Services shall apply for such  
22 State plan amendments or waivers as may be necessary to  
23 implement the provisions of this act and to secure federal financial  
24 participation for State Medicaid expenditures under the federal  
25 Medicaid program.

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27 3. The Commissioner of Human Services, pursuant to the  
28 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et  
29 seq.), shall adopt rules and regulations necessary to implement the  
30 provisions of this act.

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32 4. This act shall take effect immediately.

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### 35 STATEMENT

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37 This bill requires the Medicaid reimbursement rates for primary  
38 care and mental health services to match the reimbursement are for  
39 those services under Medicare.

40 Specifically, commencing July 1, 2023, and annually thereafter,  
41 the Medicaid reimbursement rate for primary care and mental health  
42 services is required to be no less than 100 percent of the payment  
43 rate that applies to such services under part B of the federal  
44 Medicare program. Primary care and mental health services include  
45 those services furnished by:

46 (1) a physician with a primary specialty designation of family  
47 medicine, general internal medicine, general pediatric medicine, or  
48 obstetrics and gynecology;

1       (2) a health care professional, including but not limited to an  
2       advance practice nurse or a physician assistant, who is working in  
3       the area of family medicine, general internal medicine, general  
4       pediatric medicine, or obstetrics and gynecology; or

5       (3) a midwife.

6       Mental health services additionally include those services  
7       furnished by a health care provider with one of the following  
8       specialty designations: licensed clinical social worker,  
9       psychologist, licensed professional counselor, licensed marriage  
10      and family therapist, licensed clinical alcohol and drug counselor,  
11      or psychiatrist.

12      The provisions of the bill are not to be construed to require any  
13      decrease in the Medicaid reimbursement rate for a primary care or  
14      mental health service from the previous fiscal year's reimbursement  
15      level for the same service. The requirements of the bill will apply  
16      to services reimbursed under both the Medicaid fee-for-service  
17      delivery system and the Medicaid managed care delivery system,  
18      but will only to services delivered by an approved Medicaid  
19      provider.

20      The bill directs the Commissioner of Human Services, no later  
21      than one year after the effective date of the bill, to submit a report  
22      to the Governor and to the Legislature concerning implementation  
23      of the bill, including data regarding changes in access to primary  
24      care and mental health services, as well as the quality of care of  
25      these services, for Medicaid beneficiaries following any rate  
26      increases implemented under the bill. The report is also to include  
27      any recommendations for further enhancements to the Medicaid  
28      rates for these services to improve provider access and quality of  
29      care for Medicaid beneficiaries in underserved areas of the State.