

LEGISLATIVE FISCAL ESTIMATE

[Second Reprint]

ASSEMBLY, No. 4089

STATE OF NEW JERSEY 221st LEGISLATURE

DATED: FEBRUARY 26, 2025

SUMMARY

- Synopsis:** The "Certified Medication Aide in Nursing Homes Staffing Support Act;" authorizes certified medication aides to administer medications to nursing home residents.
- Type of Impact:** Potential annual increase in State expenditures and revenues; potential annual increase in expenditures for county-operated nursing homes.
- Agencies Affected:** Department of Health; Department of Human Services; county-operated nursing homes.

Office of Legislative Services Estimate

Fiscal Impact	<u>Annual</u>
Potential State Expenditure Increase	Indeterminate
Potential State Revenue Increase	Indeterminate
Potential Local Expenditure Increase	Indeterminate

- The Office of Legislative Services (OLS) determines that the Department of Health may realize an indeterminate increase in annual expenditures to process applications for certification as a medication aide submitted by certified personal care assistants and homemaker-home health aides.
- Given that the number of certified personal care assistants and certified homemaker-home health aides who may successfully complete the training to become a certified medication aide and subsequently apply to the department for certification as a medication aide is unknown, the OLS lacks the informational basis to determine how the bill's provisions would impact the department's administrative costs.
- To the extent that the State's nursing homes that accept Medicaid patients are able to fill direct care staff vacancies with certified medication aides, the facilities' staffing costs will increase, thereby potentially placing upward pressure on NJ FamilyCare reimbursement rates in future

years. Any future increase in State Medicaid expenditures will increase State revenues in the form of federal Medicaid reimbursements.

- Similarly, to the extent that county-operated nursing homes fill direct care staff vacancies with certified medication aides, their staffing costs may increase accordingly. The State's seven county-operated nursing homes are located in Bergen (1), Middlesex (2), Atlantic (1), Cape May (1), Gloucester (1), and Passaic (1) counties.

BILL DESCRIPTION

The bill authorizes medication aides, who are certified by the Department of Health to administer medications, as delegated by and under the authority of a registered professional nurse, in State licensed nursing homes. Current law and regulations authorize certified medication aides to practice in assisted living facilities, comprehensive personal care homes, dementia care homes, and assisted living programs, but not nursing homes. The bill also codifies several requirements for certified medication aides that are established under existing regulations found in the New Jersey Administrative Code, including provisions requiring that:

1. an individual seeking department certification as a medication aide must first: a) be a nurse aide certified by the department for employment in a long-term care facility; b) be a homemaker home health aide certified by the Board of Nursing in the Department of Law and Public Safety's Division of Consumer Affairs, who also meets statutory requirements for employment as a certified nurse aide in a long-term care facility; or, c) be a personal care assistant certified by the Department of Health;
2. an individual seeking certification as a medication aide in a nursing home must successfully complete a Department of Health-approved training course on medication administration in a long term care setting, and pass a department-designated standardized exam for personal care assistants on medication administration;
3. the department conduct, at its own expense, criminal history record background checks on applicants for initial and renewal certification as medication aides, in addition to nurse aides and personal care assistants; and
4. the department establish a registry of certified medication aides, in addition to the existing registries for department certified nurse aides and personal care assistants.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS determines that the Department of Health may realize an indeterminate increase in annual expenditures to process applications for certification as a medication aide submitted by certified personal care assistants and homemaker-home health aides. Existing State law and regulation precludes NJ FamilyCare reimbursement for personal care assistant services provided in a nursing home setting. Under current law, a certified homemaker-home health aide is

authorized to work for a “home care services agency,” which includes a home health agency, an assisted living program, a comprehensive personal care home, and an assisted living program, but not a nursing home.

To the extent that a higher number of the State’s currently certified personal care assistants and homemaker-home health aides newly apply to become certified medication aides in order to work in a nursing home setting, the department’s administrative costs to review and process applications, and ensure compliance with the provisions of the bill, could increase by an indeterminate amount. Given that the number of certified personal care assistants and certified homemaker-home health aides that may successfully complete the training to become a certified medication aide and subsequently apply to the department for certification as a medication aide is unknown, the OLS lacks the informational basis to determine how the bill’s provisions may impact the department’s administrative costs.

To the extent that the State’s nursing homes that accept Medicaid patients are able to fill existing direct care staff vacancies with certified medication aides, the facilities’ staffing costs will increase, thereby potentially placing upward pressure on NJ FamilyCare reimbursement rates in future years. Any future increase in State Medicaid expenditures will increase State revenues in the form of federal Medicaid reimbursements.

Similarly, if county-operated nursing homes respond to the bill’s provisions by filling direct care staff vacancies with certified medication aides, their staffing costs may increase accordingly. The State’s seven county-operated nursing homes are located in Bergen (1), Middlesex (2), Atlantic (1), Cape May (1), Gloucester (1), and Passaic (1) counties.

According to the May 2023 Occupational Employment and Wage Statistics (OEWS) Profiles issued by the United States Bureau of Labor Statistics, the most recent data available, there were 31,610 nursing assistants employed in the State. Nationwide, nearly 34 percent of all nursing assistants were employed in a nursing home. The OEWS Profile for home health and personal care aides, which is a combined data category, shows 100,860 homemaker-home health aides and personal care assistants employed in the State in May 2023. The vast majority of home health and personal care aides, nationwide, were employed by individuals and families (52 percent), followed by home health care agencies (25 percent). The OEWS Profile does not include data specifically for medication aides.

Section: Human Services

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This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).