

# ASSEMBLY, No. 4594

## STATE OF NEW JERSEY

### 221st LEGISLATURE

INTRODUCED JUNE 17, 2024

**Sponsored by:**

**Assemblyman JOE DANIELSEN**

**District 17 (Middlesex and Somerset)**

**Assemblywoman SHANIQUE SPEIGHT**

**District 29 (Essex and Hudson)**

**SYNOPSIS**

Requires DOH to evaluate technology uses in long-term care settings, implements certain technological requirements within long-term care settings, and clarifies existing telehealth reimbursement parity includes long-term care settings.

**CURRENT VERSION OF TEXT**

As introduced.



(Sponsorship Updated As Of: 6/20/2024)

1 AN ACT concerning technology in long-term care settings, and  
2 amending and supplementing various parts of statutory law.

3

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

6

7 1. Section 6 of P.L.2020, c.87 (C.26:2H-12.95) is amended to  
8 read as follows:

9 6. a. No later than 270 days after the effective date of **[this**  
10 **act]** P.L.2020, c.87 (C.26:2H-12.90 et seq.), each long-term care  
11 facility, and no later than 270 days after the effective date of  
12 P.L. , c. (C. ) (pending before the Legislature as this act),  
13 each home and community based services provider shall implement  
14 or upgrade to an electronic health record system certified by the  
15 Office of the National Coordinator for Health Information  
16 Technology in the U.S. Department of Health and Human Services  
17 that is capable of information sharing through industry standard  
18 data interoperability, including application programming interface  
19 Health Level 7 or fast healthcare interoperability technology. Use  
20 cases built on this technology shall include the bi-directional  
21 capability for admission discharge and transfer and continuity of  
22 care through the clinical data architecture. Long-term care facilities  
23 and home and community based services providers interoperability  
24 for these use cases shall be achieved by connecting to the New  
25 Jersey Health Information Network.

26 b. Subject to the availability of funding for this purpose, the  
27 Department of Health shall make grants available to long-term care  
28 facilities and home and community based services providers:

29 (1) to provide assistance in implementing or upgrading to an  
30 electronic health record system that meets the requirements of  
31 subsection a. of this section, which grants shall be distributed to  
32 long-term care facilities and home and community based services  
33 providers based on demonstrated need; and

34 (2) to support the exchange of user-friendly clinical information  
35 via an electronic health record system that meets the requirements  
36 of subsection a. of this section with State hospitals, which grants  
37 shall be distributed based on an evaluation of the long-term care  
38 facility or home and community based services provider's plan to  
39 utilize the grant award to allow for timely and well-informed  
40 clinical decisions across settings.

41 (cf: P.L.2020, c.87, s.6)

42

43 2. Section 11 of P.L.2021, c.310 is amended to read as follows:

44 11. a. For the period beginning on the effective date of P.L.2021,  
45 c.310 and ending on December 31, 2024, a health benefits plan in this

**EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted in the law.**

**Matter underlined thus is new matter.**

1 State shall provide coverage and payment for health care services,  
2 including those services provided in a long-term care setting, delivered  
3 to a covered person through telemedicine or telehealth at a provider  
4 reimbursement rate that equals the provider reimbursement rate that is  
5 applicable, when the services are delivered through in-person contact  
6 and consultation in New Jersey, provided the services are otherwise  
7 covered by the health benefits plan when delivered through in-person  
8 contact and consultation in New Jersey. The requirements of this  
9 subsection shall not apply to:

10 (1) a health care service provided by a telemedicine or telehealth  
11 organization that does not provide the health care service on an in-  
12 person basis in New Jersey; or

13 (2) a physical health care service that was provided through real-  
14 time, two-way audio without a video component, whether or not  
15 utilized in combination with asynchronous store-and-forward  
16 technology, including through audio-only telephone conversation. The  
17 reimbursement rate for a physical health care service that is subject to  
18 this paragraph shall be determined under the contract with the  
19 provider; provided that the reimbursement rate for a physical health  
20 care service when provided through audio-only telephone conversation  
21 shall be at least 50 percent of the reimbursement rate for the service  
22 when provided in person.

23 (3) The provisions of paragraph (2) of this subsection shall not  
24 apply to a behavioral health service that was provided through real-  
25 time, two-way audio without a video component, whether or not  
26 utilized in combination with asynchronous store-and-forward  
27 technology, including audio-only telephone conversation. A  
28 behavioral health care service described in this paragraph shall be  
29 reimbursed at a rate that equals the provider reimbursement rate for the  
30 service when provided in person.

31 b. For the purposes of this section:

32 “Carrier” means an insurance company, health service corporation,  
33 hospital service corporation, medical service corporation, or health  
34 maintenance organization authorized to issue health benefits plans in  
35 this State.

36 “Covered person” means the same as that term is defined in section  
37 2 of P.L.1997, c.192 (C.26:2S-2); a “benefits recipient” as that term is  
38 defined under section 7 of P.L.2017, c.117 (C.30:4D-6k); and a person  
39 covered under a contract purchased by the State Health Benefits  
40 Commission or the School Employees’ Health Benefits Commission.

41 “Health benefits plan” means a benefits plan which pays hospital  
42 or medical expense benefits for covered services, and is delivered or  
43 issued for delivery in this State by or through a carrier or a contract  
44 purchased by the State Health Benefits Commission or the School  
45 Employees’ Health Benefits Commission. The term shall include the  
46 State Medicaid program established pursuant to P.L.1968, c.410  
47 (C.30:4D-1 et seq.) and the NJ FamilyCare program established  
48 pursuant to P.L.2005, c.156 (C.30:4J-8 et al.).

1       “Long-term care setting” means the variety of locations in which  
2 health care services are provided to covered persons with prolonged  
3 illnesses, disabilities, or cognitive disorders that support  
4 independent and safe living according to the clinical needs of the  
5 person, and includes home-based care, community-based care, and  
6 residential-based care.  
7 (cf: P.L.2023, c.199, s.1)

8  
9       3. (New section) a. Commencing six months following the  
10 effective date of P.L.     , c. (C.     ) (pending before the  
11 Legislature as this act), the Department of Health shall require each  
12 long-term care facility in the State, as a condition of facility  
13 licensure, to provide internet, television, and telephone services  
14 within each residential room of the facility. To the extent possible,  
15 and in compliance with the social isolation prevention policies  
16 adopted by a long-term care facility pursuant section 2 of P.L.2020,  
17 c.113 (C.26:2H-12.98), the long-term care facility shall additionally  
18 provide residents with the necessary equipment to utilize these  
19 services.

20       b. The department shall distribute civil monetary penalty funds,  
21 as approved by the federal Centers for Medicare and Medicaid  
22 Services, and any other available federal and State funds, upon  
23 request, to facilities in order to comply with this section.

24       c. Whenever the department conducts an inspection of a long-  
25 term care facility, the department's inspector shall determine  
26 whether the long-term facility is in compliance with the provisions  
27 of this section.

28       d. In addition to any other applicable penalties provided by  
29 law, a long-term care facility that fails to comply with the  
30 provisions of this section:

31       (1) shall be liable to pay an administrative penalty, the amount  
32 of which shall be determined in accordance with a schedule  
33 established by department regulation, which schedule shall provide  
34 for an enhanced administrative penalty in the case of a repeat or  
35 ongoing violation; and

36       (2) may be subject to adverse licensure action, as deemed by the  
37 department to be appropriate.

38  
39       4. (New section) a. The Department of Health, in collaboration  
40 with the Department of Human Services, the Office of Long-Term  
41 Care Resiliency, the Office of the State Long Term Care  
42 Ombudsman, and provider and community stakeholders, shall  
43 evaluate and review the use of technology in long-term care settings  
44 within the State. The goal of this review shall be to identify  
45 existing uses of technology within long-term care settings in the  
46 State, as well as potential uses of technology that have  
47 demonstrated high success rates in improving service and quality of  
48 care in long-term care settings, either in this State or other states,

1 that have yet to be broadly adopted in the State. The review shall  
2 include recommendations for the expansion and integration of  
3 technology within long-term care settings. As used in this section,  
4 “long-term care setting” means the variety of locations in which  
5 services are provided to persons with prolonged illnesses,  
6 disabilities, or cognitive disorders that support independent and safe  
7 living according to the clinical needs of the person, and includes  
8 home-based care, community-based care, and residential-based  
9 care.

10 b. The review at a minimum shall include an assessment of,  
11 and recommendations for implementation regarding:

12 (1) best practices in long-term care settings for the use of  
13 artificial intelligence and smart systems that improve administration  
14 and service delivery by reducing paperwork documentation time,  
15 lowering the risk of falls, improving patient monitoring, facilitating  
16 early intervention to address changes in the condition of  
17 chronically ill patients, maximizing patient independence, and  
18 providing for any other applicable positive clinical or administrative  
19 outcome;

20 (2) the availability of Wi-Fi services in long-term care facilities,  
21 and the extent to which residents can access those services in  
22 private bedrooms, common areas, and corridors;

23 (3) the provision of after-hours and weekend support through  
24 telemedicine and technology-based solutions; and

25 (4) remote pharmacy dispensing systems utilized at long-term  
26 care facilities.

27 c. Following the completion of the review pursuant to  
28 subsection a. of this section, the department shall encourage and  
29 support long-term care providers in implementing the department’s  
30 recommendations regarding the uses of technology in long-term  
31 care settings via the following:

32 (1) distributing civil monetary penalty funds, as approved by the  
33 federal Centers for Medicare and Medicaid Services, and any other  
34 available federal and State funds, upon request;

35 (2) establishing grant or low interest loan programs to distribute  
36 available federal or State funds via a competitive process;

37 (3) implementing performance incentives for long-term care  
38 providers that comply with the department’s recommendations; or

39 (4) providing for any other aid deemed appropriate and  
40 necessary by the Commissioner of Health.

41 d. No later than 18 months after the effective date of this act,  
42 the department shall submit a report to the Legislature, pursuant to  
43 section 2 of P.L.1991, c.164 (C.52:14-19.1), that summarizes the  
44 department’s findings and recommendations pursuant subsection a.  
45 of this section and describes the department’s actions pursuant to  
46 subsection c. of this section.

1       5. This act shall take effect immediately, and section 4 shall  
2 expire upon the submission of the report pursuant to subsection d.  
3 of that section.

4

5

6

STATEMENT

7

8       This bill implements a variety of provisions regarding  
9 technology in long-term care settings. As used in the bill, long-  
10 term care settings include home-based care, community-based care,  
11 and residential-based care.

12       First, the bill requires the Department of Health (DOH), in  
13 collaboration with the applicable State entities and provider  
14 stakeholders, to evaluate, review, and provide recommendations for  
15 the use of technology in long-term care settings within the State,  
16 and to report the findings of the review, and subsequent department  
17 actions, to the Legislature within 18 months after the effective date  
18 of the bill. The goal of this review is to identify existing uses, and  
19 potential new and expanded uses, of technology within long-term  
20 care settings.

21       Following the review, the department will encourage and support  
22 providers in implementing the department's recommendations  
23 regarding the uses of technology via the distribution of available  
24 federal and State funds, the establishment of grant or low interest  
25 loan programs, the implementation of performance incentives, or  
26 the provision of other aid deemed appropriate and necessary by the  
27 Commissioner of Health.

28       Second, the bill expands an existing law requiring long-term care  
29 facilities to implement an electronic medical records requirement,  
30 and that provides need-based grants via the DOH to implement this  
31 requirement, to also include home and community-based service  
32 providers. The bill also requires the DOH to provide grants to long-  
33 term care providers to support the exchange of user-friendly clinical  
34 information via an electronic health record system with State  
35 hospitals.

36       Third, commencing six months following the effective date of  
37 the bill, the DOH is to require each long-term care facility in the  
38 State, as a condition of licensure, to provide internet, television, and  
39 telephone services within each residential room. To the extent  
40 possible, the long-term care facility will also provide residents with  
41 the necessary equipment to utilize these services. The department  
42 will distribute federal and State funds to facilities in compliance  
43 with this provision, and to determine compliance with the provision  
44 during facility inspections. In addition to any other applicable  
45 penalties provided by law, a long-term care facility that fails to  
46 comply with these provisions is liable to pay an administrative  
47 penalty and may be subject to adverse licensure action.

**A4594 DANIELSEN, SPEIGHT**

7

1       Finally, this bill amends section 11 of P.L.2021, c.310 to clarify  
2 that the provisions of that law requiring a health benefits plan to  
3 provide coverage and payment parity for health care services  
4 delivered to a covered person from December 31, 2023 to  
5 December 31, 2024 through telemedicine or telehealth at a provider  
6 reimbursement rate that equals the in-person provider  
7 reimbursement rate, includes those health care services provided in  
8 a long-term care setting.