

## CHAPTER 121

**AN ACT** concerning referrals to substance use disorder treatment facilities, recovery residences, and clinical laboratories and amending P.L.2021, c.31.

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

1. Section 1 of P.L.2021, c.31 (C.2C:40A-6) is amended to read as follows:

C.2C:40A-6 Certain payments for referral to certain facilities, fourth degree crime.

1. a. A person, including, but not limited to, a health care provider, health care facility, non-profit organization, clinical laboratory, and recovery residence, is guilty of a crime of the third degree if the person, either directly or indirectly, overtly or covertly, in cash or in kind, makes, solicits, offers, or receives a payment or otherwise furnishes, solicits, offers, or receives any fee, commission, kickback, bribe, or rebate to any person in connection with the referral of patients to, or in exchange for a patient using the services of, a facility licensed in accordance with section 8 of P.L.1975, c.305 (C.26:2B-14) for substance use disorder treatment or services, substance use disorder treatment facility issued a certificate of approval pursuant to P.L.1970, c.334 (C.26:2G-21 et seq.), recovery residence, or clinical laboratory. Notwithstanding the provisions of N.J.S.2C:43-3, a person convicted of an offense under this subsection shall be sentenced to make restitution and to pay a fine of \$50,000.

b. A person, including, but not limited to, a health care provider, health care facility, non-profit organization, clinical laboratory, and recovery residence, is guilty of a crime of the third degree if the person knowingly assists, conspires with, or urges any person to make, furnish, solicit, offer, or receive a payment, fee, commission, kickback, bribe, or rebate in violation of subsection a. of this section. Notwithstanding the provisions of N.J.S.2C:43-3, a person convicted of an offense under this subsection shall be sentenced to make restitution and to pay a fine of \$50,000.

c. It shall not be a violation of subsection a. of this section to make or receive a payment or otherwise furnish or receive any fee, commission, or rebate that does not vary based on:

(1) the number of patients referred to a substance use disorder treatment facility, recovery residence, or clinical laboratory;

(2) the duration, level, volume, or nature of the substance use disorder treatment services provided to a patient; or

(3) the amount of benefits provided by a carrier to a substance use disorder treatment facility, recovery residence, or clinical laboratory for treatment or services provided to a patient.

d. (1) The Office of Licensing in the Department of Health may investigate a health care facility or clinical laboratory licensed or certified by the Department of Health for an alleged violation of this act. Upon finding a violation, the Department of Health may suspend or revoke the health care facility or clinical laboratory's license or certification, if applicable, or may impose a civil penalty against the health care facility or clinical laboratory. If the Department of Health imposes a civil penalty, the civil penalty shall be not more than \$20,000 for each violation.

(2) The Department of Community Affairs may investigate a recovery residence for an alleged violation of this act. Upon finding a violation, the Department of Community Affairs may suspend or revoke the recovery residence owner's license or certification, if applicable, or may impose a civil penalty against the recovery residence owner. If the Department of Community Affairs imposes a civil penalty, the civil penalty shall be not more than \$20,000 for each violation.

e. As used in this section:

“Clinical laboratory” means the same as that term is defined in section 2 of P.L.1975, c.166 (C. 45:9-42.27).

“Health care facility” means a health care facility licensed pursuant to P.L.1971, c.136 (C.26:2H-1 et seq.).

“Health care provider” means an individual who provides a health care service to a patient, and includes, but is not limited to, a licensed physician, registered professional nurse, advanced practice nurse, psychologist, psychiatrist, psychoanalyst, clinical social worker, physician assistant, professional counselor, respiratory therapist, speech pathologist, audiologist, optometrist, or any other health care professional acting within the scope of a valid license or certification issued pursuant to Title 45 of the Revised Statutes.

“Recovery residence” means a boarding house licensed by the Department of Community Affairs, which provides a sober living environment and alcohol- and drug-free living accommodations to individuals with substance use disorders, or to individuals with co-occurring mental health and substance use disorders, but which does not provide clinical treatment services for mental health or substance use disorders.

2. This act shall take effect immediately.

Approved August 11, 2025.