LEGISLATIVE FISCAL ESTIMATE
SENATE, No. 3992
STATE OF NEW JERSEY
222nd LEGISLATURE

DATED: NOVEMBER 5, 2026

SUMMARY

Synopsis: Increases cap on personal care assistant services from 40 hours to 91 hours per week for Medicaid beneficiary determined clinically eligible for nursing facility level of care.

Type of Impact: Annual State expenditure and revenue increases.

Agencies Affected: Department of Human Services.

Office of Legislative Services Estimate

Fiscal Impact	Annual
State Expenditure Increase	$90.2 million - $115.5 million
State Revenue Increase	$49.0 million - $62.7 million

- The Office of Legislative Services (OLS) lacks the informational basis to anticipate the number of Medicaid enrollees, currently receiving personal care assistant (PCA) services, who would be authorized for additional service hours under the bill, nor the number of service hours for which each PCA service recipient would be approved.

- The OLS determines that State costs would increase anywhere from $90.2 million to $115.5 million annually to increase the weekly cap on PCA service hours by as much as 51 hours, or 128 percent more hours than the current maximum of 40 hours per week.. The lower end of the range assumes a 100 percent increase of existing PCA services expenditures under the bill, while the higher end assumes a 128 percent increase of existing PCA services expenditures under the bill.

- Because State Medicaid expenditures on PCA services are eligible for federal cost reimbursements, annual State revenues would increase by between $49.0 million and $62.7 million.

BILL DESCRIPTION

The bill increases the cap on personal care assistant services from 40 hours to 91 hours per week for a Medicaid beneficiary determined clinically eligible for nursing facility level of care. Under the bill, "personal care assistant services" is defined to mean health related tasks associated with the cueing, supervision, or the completion of activities of daily living, as well as related tasks.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS lacks the informational basis to anticipate the number of Medicaid enrollees, currently receiving personal care assistant (PCA) services, who would be authorized for additional service hours under the bill, nor the number of service hours for which each PCA service recipient would be approved. As such, the OLS determines that State costs would increase in a range from $90.2 million to $115.5 million annually to increase the weekly cap on PCA service hours by as much as 51 hours, or 128 percent more hours than the current maximum of 40 hours per week. The lower end of the range assumes a 100 percent increase of existing PCA services expenditures under the bill, while the higher end assumes a 128 percent increase of existing PCA services expenditures under the bill. According to federal data, the State expended $90.2 million on PCA services in federal fiscal year 2024.

Because State Medicaid expenditures for PCA services are eligible for federal cost reimbursements, annual State revenues would increase by between $49.0 million and $62.7 million under the bill.

Currently, the State Medicaid program reimburses for PCA services at an hourly rate of $26.68, as specified in the FY 2027 Appropriations Act.

PCA services are non-emergency health related tasks provided for a Medicaid enrollee with functional limitations, and are typically performed in the Medicaid enrollee's home by a qualified individual and under the supervision of a registered professional nurse. The State Medicaid program requires that PCA services for an enrollee be: prior authorized by the enrollee's Medicaid managed care organization, based on the enrollee's documented need for hands-on personal care; and delivered according to the enrollee's written care plan. Currently, State regulation limits the number of PCA services provided for Medicaid enrollees to a maximum of 40 hours per week per enrollee. However, the Department of Human Services may approve additional hours of PCA services on a case-by-case basis and based on exceptional circumstances.

Section: *Human Services*

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Legislative Budget and Finance Officer

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.).