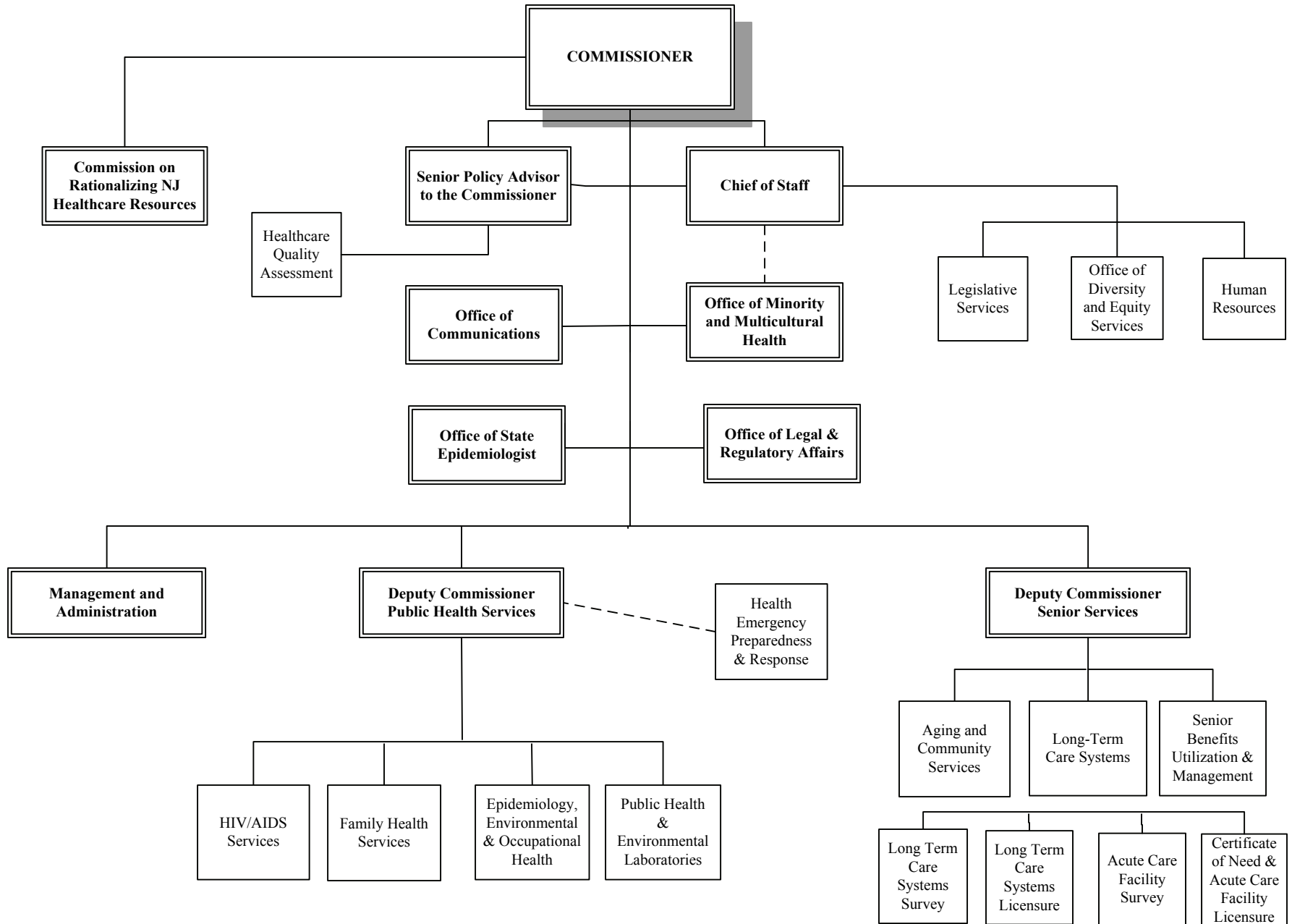


# HEALTH AND SENIOR SERVICES



# HEALTH AND SENIOR SERVICES

## DEPARTMENT OF HEALTH AND SENIOR SERVICES

### OVERVIEW

The mission of the Department of Health and Senior Services (DHSS) is to foster accessible health and senior services of the highest quality for all people in New Jersey to ensure optimal health, dignity, and independence. The Department's initiatives prevent disease, promote and protect the well-being at all life stages, and encourage informed choices that enrich the quality of life for individuals and communities. This mission is accomplished through leadership, collaborative partnerships, accountability, advocacy, especially for those with the greatest need, and a strong commitment to informing and serving the diverse health needs of New Jersey citizens.

The Department's objectives are to:

Prepare New Jersey to rapidly detect, identify, and respond to health-related aspects of biological, chemical, radiological, nuclear, explosive, and incendiary acts of terrorism, as well as natural disasters and disease outbreaks.

Eliminate disparities in health care access, treatment, and clinical outcomes between racial, ethnic, and socioeconomic populations, in part through cultural competency, education, and partnering with minority-oriented health organizations.

Implement scientific, evidence-based primary and secondary prevention programs designed to decrease mortality rates of health conditions such as heart disease, cancer, and stroke, and promote longer and healthier lives.

Strengthen New Jersey's public health infrastructure by adopting and implementing best practice standards, creating a comprehensive communications system that links health care providers and institutions statewide, forming a coordinated disease surveillance and response network, and providing comprehensive public health and environmental laboratory testing services.

Provide high quality services that promote independence, dignity, and choice for older adults in New Jersey.

Optimize access to the highest quality health care for the people of New Jersey.

### Budget Highlights

The Fiscal 2008 Budget for the Department of Health and Senior Services totals \$1.664 billion, a decrease of \$215 million or 11.4% under the fiscal 2007 adjusted appropriation of \$1.879 billion.

### Health Services

The Fiscal 2008 Budget continues funding for expansion of the Family Planning Services program, adding \$500,000 to the \$2 million commitment made in fiscal 2007. A priority of the Governor, this increase is recommended to meet the rising cost of health care and to promote women's health. Funding will allow the Family Planning Services program to support additional patients, expand hours of operation, and reduce waiting periods for patients scheduling appointments for clinic services.

To address the expanding needs of the developmentally disabled under three years of age, the Fiscal 2008 Budget includes a \$97 million recommended appropriation for the Early Childhood Intervention (ECI) program. This level of funding represents an increase of 24% over the Fiscal 2007 Appropriations Act and is needed to fund continuing services for children in the ECI program.

The Fiscal 2008 Budget reflects a continued commitment to eradicating cancer by providing \$45 million for cancer research, prevention, and treatment.

The Fiscal 2008 Budget recommends \$40 million for Federally Qualified Health Centers (FQHC). This appropriation will increase the existing FQHCs ability to receive uninsured patients and to develop new access points throughout the state in areas designated as

Medically Underserved Areas by the U.S. Department of Health and Human Services/Health Resources and Services Administration. The \$5 million grant-in-aid appropriation is continued in fiscal 2008 and is earmarked to expand capacity of existing Centers for Primary Health by increasing staff, hours or site locations.

Supported by both State and federal funding, a total of 5 new health center sites opened during 2006 in Cape May Court House, Glassboro, Newton, Keansburg, and Phillipsburg. There are now over 75 licensed sites throughout the state. Further growth in site and service capacity is expected to continue during the coming year as more new sites are currently in the development stage. The number of uninsured primary care visits to FQHCs during fiscal 2007 is expected to surpass 322,000.

Recognizing the fiscal constraints faced by the State, the Fiscal 2008 Budget eliminates or reduces funding for one time costs or legislative increases in the amount of \$137 million.

### Senior Services

The Fiscal 2008 Budget continues funding for the Department's major programs. Funding is provided to continue the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program, which provides needed pharmaceutical services to seniors and disabled clients with incomes below \$22,572 if single and \$27,676 if married. The current \$5 co-payment for each prescription has not been increased. The Budget also includes funding for the Senior Gold Program that provides pharmaceutical services to aged and disabled clients with incomes below \$32,572 if single and \$37,676 if married. Senior Gold clients pay a \$15 co-payment and 50% of the remaining cost of the drug, which is the same as the current policy.

Under the federal government's recently enacted Medicare Modernization Act of 2003, the PAAD program will continue to provide a seamless transition for current recipients who will be enrolling into Medicare so that no one will experience a loss of benefits. Approximately 177,000 PAAD and Senior Gold beneficiaries are enrolled into a Medicare Part D plan that best met their needs based on their prescription drug utilization. While enrollment in Medicare Part D is not mandatory for Senior Gold, more than 60% of beneficiaries in this program have voluntarily enrolled. This enrollment effort has resulted in savings for the State beyond those originally anticipated. Accordingly, the PAAD and Senior Gold budgets will be reduced by approximately \$73 million in fiscal 2008. The State will continue to cover drugs not covered by Medicare Part D.

To ensure that senior citizens are given the discretion to decide which long-term care setting is best for them, the Independence, Dignity, and Choice in Long-Term Care Act was passed in June 2006. This law continues to redirect long-term care away from an over-reliance on institutional care toward more home and community-based options. In fiscal 2008, the Global Budget recommendation continues at \$15 million to carry out this initiative. Currently, there is a pilot program in two counties. Assuming the pilot program proves to be successful, beginning on March 1, 2008, global budgeting will be carried out statewide within the existing level of funding.

The Fiscal 2008 Budget includes changes in Medicaid nursing home reimbursement as well as nursing home alternatives. To offset the growth in Nursing Homes and Medical Day Care, it is recommended that the annual inflation adjustment provided to Nursing Homes and Medical Day Care providers be reduced by 50%, which will result in a State savings of \$13 million. Moreover, since the occupancy rate in nursing homes is declining, reimbursement for bedhold while a patient is hospitalized is no longer necessary. Because there are vacant beds at most nursing homes, holding a bed without reimbursement while a patient is hospitalized should not impose a

financial burden. This will save the State \$10 million in fiscal 2008. Finally, the implementation of a \$3 co-payment in Medical Day Care will offset costs by \$5 million. All of these initiatives help offset fiscal 2008 entitlement growth in nursing homes and alternative programs.

### **Health Planning and Evaluation**

The Fiscal 2008 Budget continues funding for Charity Care payments to hospitals through the Health Care Subsidy Fund. Total recommended fiscal 2008 Charity Care funding will remain at the fiscal 2007 level of \$583.4 million.

The majority of Charity Care will be funded from a diversion from Cigarette Tax revenues. The remaining amount of Charity Care will be funded from the HMO Annual Assessment, federal matching funds, the Ambulatory Facility Assessment, the Cosmetic Surgery Assessment, and a diversion from the Medical Malpractice Liability Insurance Premium Assistance Fund.

The \$92.5 million General Fund appropriation into the Health Care Subsidy Fund will be used to fund Hospital Relief Subsidy Fund payments and the Department of Health and Senior Services' State share of the FamilyCare health insurance program.

Recognizing the fiscal constraints faced by the State, the Fiscal 2008 Budget eliminates the appropriation for Hospital Assistance Grants.

### **Department Accomplishments**

#### *Patient Safety*

The Patient Safety Act emphasizes the importance of making changes in the underlying systems for delivering safer health care. It is designed to create an atmosphere that promotes a culture of safety and self-disclosure rather than a culture of blame. The Department has been working actively with hospitals to report preventable adverse events over the past year and to perform an analysis of what is wrong with the system. In September 2006, the department released to the public the first annual report on New Jersey patient safety data and the regulations were published in January 2007 in the New Jersey Register. The Department continues to promote a culture focused on enhancing safety to ensure quality health care in hospitals and health care facilities.

#### *Reforming Long-Term Care for Older Adults and Persons with Disabilities*

New Jersey's efforts to reform its long-term care system were advanced when Governor Corzine signed the Independence, Dignity and Choice in Long-Term Care Act into law, giving older adults and persons with disabilities more control over their care and the ability to receive more support for community living. The Act redirects public funding to be moved from the budget for nursing homes to home and community-based services in order to provide more options for older adults. New Jersey's current efforts to reform its long-term care system have been recognized nationally by the federal government: New Jersey was the only state to receive three federal grants effective October 1, 2006 to support its long-term care transformation.

#### *Pharmaceutical Assistance to the Aged and Disabled & Medicare Part D*

Effective January 1, 2006, the federal government began offering prescription coverage through the Medicare Part D plan. The PAAD program helped beneficiaries choose a Medicare Part D plan that would best fit their prescription needs, and then facilitated their enrollment into the plan. As a result of a seamless transition, all PAAD beneficiaries with Medicare coverage in the PAAD program have been enrolled in a Medicare Part D plan or have retiree employer-sponsored prescription coverage. PAAD beneficiaries now use both their Medicare Part D coverage and their PAAD coverage and continue to pay no more than \$5 per prescription.

#### *Health Command Center*

The Department of Health and Senior Services has completed construction of its Health Command Center (HCC). Located in the Health and Agriculture Building, the HCC will support the State's emergency management system as the focus for public health and health care response to emergencies regardless of the cause.

#### *Office of Minority and Multicultural Health*

As part of its core mission to address health disparities, the Department has made progress in establishing a health disparities initiative which focuses on several health indicators and establishes goals for reducing and ultimately eliminating health disparities in New Jersey. The Department soon will release the health disparities plan which will guide the Department in strengthening and replicating best practices in addressing health disparities initiatives across the Department. The Health Disparities Work Group under the leadership of the Office of Minority and Multicultural Health serves as the steering committee for the development and implementation of the New Jersey Department of Health and Senior Services Plan to Eliminate Health Disparities. The intent of the Plan is to improve measurable outcomes in minority communities in various medical areas including: hospitalization for asthma attacks; decreased incidence of infant mortality/SIDS through awareness and education; increased numbers of minorities getting screened for various cancers; increased awareness of diabetes and identification of diabetics in minority communities; as well as several other goals to improve the health of minorities in specific medical areas. The Plan strengthens the Department's infrastructure to address health disparities including increasing access to language services.

#### *Maintaining Standards and Access to Quality Care*

In order to ensure that New Jersey residents have access to high quality care, the Department's Division of Health Facilities and Evaluation conducted 150 acute care and primary care facility inspections and over 370 nursing home inspections. In addition, over 1,000 specific complaints were investigated at both acute and long-term care facilities.

#### *Pandemic Influenza Preparedness Plan*

The original Department of Health & Senior Services Influenza Pandemic Plan was released in September 2002, following an extensive collaborative process. Version 4 is currently underway, incorporating components of the US Department of Health & Human Services (HHS) 2004 "State and Local Health Departments Guidance," as well as relevant aspects of the New Jersey Emergency Health Powers Act, which became law in September 2005 (P.L. 2005, c.222). The goal is to align the Plan with the most current HHS "Public Health Guidance for State and Local Partners" and to produce a realistic, operational plan for the Department. To accomplish this, a large Pandemic Influenza Work Group has been convened which consists of over 100 individuals. Less than one-third are DHSS employees. The vast majority represent approximately 50 primarily private sector professional organizations and associations. In addition, DHSS is leading the effort to create a Statewide Influenza Pandemic Plan with the Office of Homeland Security and Preparedness. Due to the dynamic nature of development and implementation of this plan, as well as technological advances in many aspects of public health surveillance and health care service delivery, the Plan remains in draft form, and should be considered an ongoing program.

#### *Expansion of Centers for Primary Health Care (CPHCs)*

To address the health care needs of the over 1.3 million New Jerseyans without health insurance coverage, funding has been provided to expand the number of CPHCs, and to continue reimbursement to established CPHCs for delivery of uncompensated care (including medical and dental care) to uninsured and underinsured residents. The purpose of this expansion is to provide access to affordable, quality primary health care in community health

# HEALTH AND SENIOR SERVICES

settings, reducing the need for use of emergency departments as the safety net for primary care services. In 2006, \$5 million was provided to four CPHCs to increase access to primary health care services. These four agencies opened nine new access points in previously underserved areas of the state. Now there are over 75 CPHC sites serving 19 of the state's 21 counties. Efforts are continuing in 2007, with \$5 million being awarded to CPHCs to increase capacity to provide primary care medical or dental services. Funds are being used to add medical/dental providers, renovate facilities, purchase medical/dental equipment and improve patient management and flow through more extensive use of technology.

### Expansion of the New Jersey Chronic Care Collaborative

The New Jersey Asthma Collaborative was launched in September, 2005 and serves to address asthma disparities by effective prevention, identification, and management of the disease and to enable effective system change in health care delivery. This ongoing initiative is designed to: (1) generate and document improved health outcomes for underserved populations within the state; (2) transform clinical practice through the proven effective, evidence-based models of care; (3) develop infrastructure, expertise, and multi-disciplinary leadership within the state and within each organization to improve health status; and (4) build strategic partnerships nationally, throughout the state, and within the communities. Currently, sixteen Centers for Primary Health Care completed the learning phase and have moved into the sustain-and-spread improvement model of chronic care management to reduce the prevalence rates, to improve quality of life, and reduce hospitalization and mortality related to asthma. Based on the success of the New Jersey Asthma Collaborative, DHSS plans to implement the Diabetes Health Disparities Collaborative by the close of fiscal 2007. This collaborative will improve the delivery of health care services to persons living with diabetes by increasing access to primary and preventive health care. Training of health center personnel in the Diabetes Collaborative chronic care model will commence in the first quarter of 2007 and last approximately one

year. Implementation of the patient registry and chronic care model in health centers will be operational by January 2008.

### Association of State and Territorial Health Offices Vision Award - Rapid HIV Testing

This is a national award that recognizes innovative approaches to public health, and New Jersey was recognized as a model state for HIV testing. A major issue confronting publicly funded HIV counseling and testing in New Jersey is that 35% of persons tested using a traditional (non-rapid) test do not return to receive their results. In 2002, the year prior to rapid testing, those not receiving results include 381 of 1,327 (29%) of persons testing positive. These patients did not know that they were positive, were not referred for treatment, were not referred for prevention or social services, and posed a continuing risk for HIV transmission. Rapid HIV testing is one of four FDA-approved tests that are currently available in the United States. It is a major advancement in diagnostic technology for HIV disease, with the ability to provide negative (non-reactive) results and preliminary positive (reactive) results within 10 to 20 minutes, rather than days. Rapid HIV testing was implemented at publicly funded counseling and testing sites to improve the proportion of high-risk persons testing for HIV and receiving their test result. This testing is currently available at 164 publicly funded sites in New Jersey. As of November 2006, 21 emergency departments in 12 counties were funded and licensed by DHSS to offer and perform voluntary rapid HIV testing. More than 10,447 (98%) of the clients tested in the emergency departments received results. The percentage of clients tested in the emergency departments, both positive and overall, who get their results is substantially higher than the percentage of clients who get their results through conventional testing. In addition, the proportion of persons testing positive in emergency departments is higher than that for other rapid HIV counseling and testing sites. Thus, rapid testing in emergency departments furthers the Department's goals for increasing the percentage of persons tested for HIV at publicly funded sites who receive their test results.

## DEPARTMENT OF HEALTH AND SENIOR SERVICES

### SUMMARY OF APPROPRIATIONS BY FUND

(thousands of dollars)

Year Ending June 30, 2006					Year Ending June 30, 2008		
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	2007 Adjusted Approp.	Requested	Recommended
62,805	13,938	19,691	96,434	94,324			
1,261,776	16,333	-18,688	1,259,421	1,208,340			
9,552	---	---	9,552	9,309			
---	443	---	443	317			
<b>1,334,133</b>	<b>30,714</b>	<b>1,003</b>	<b>1,365,850</b>	<b>1,312,290</b>			
<b>GENERAL FUND</b>							
					75,716	72,245	72,245
					1,484,824	1,281,117	1,281,117
					9,552	9,552	9,552
					---	---	---
					<b>1,570,092</b>	<b>1,362,914</b>	<b>1,362,914</b>
<b>CASINO REVENUE FUND</b>							
871	43	131	1,045	1,017	871	871	871
330,712	165,607	-131	496,188	488,506	307,852	299,928	299,928
<b>331,583</b>	<b>165,650</b>	<b>---</b>	<b>497,233</b>	<b>489,523</b>	<b>308,723</b>	<b>300,799</b>	<b>300,799</b>
<b>1,665,716</b>	<b>196,364</b>	<b>1,003</b>	<b>1,863,083</b>	<b>1,801,813</b>			
<b>Total Appropriation, Department of Health and Senior Services</b>					<b>1,878,815</b>	<b>1,663,713</b>	<b>1,663,713</b>

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## SUMMARY OF APPROPRIATIONS BY PROGRAM (thousands of dollars)

Year Ending June 30, 2006					Year Ending June 30, 2008			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2007 Adjusted Approp.	Requested	Recom- mended
<b>DIRECT STATE SERVICES - GENERAL FUND</b>								
<b>Health Services</b>								
1,627	1,856	-878	2,605	2,594	Vital Statistics	1,678	1,678	1,678
2,079	---	2,404	4,483	4,423	Family Health Services	2,278	2,178	2,178
30,395	1,881	1,706	33,982	33,208	Public Health Protection Services	30,784	30,784	30,784
7,697	642	838	9,177	9,166	Laboratory Services	8,048	8,048	8,048
1,890	6	2,298	4,194	4,181	AIDS Services	1,991	1,991	1,991
<b>43,688</b>	<b>4,385</b>	<b>6,368</b>	<b>54,441</b>	<b>53,572</b>	<i>Subtotal</i>	<b>44,779</b>	<b>44,679</b>	<b>44,679</b>
<b>Health Planning and Evaluation</b>								
3,749	2,413	-547	5,615	4,812	Long Term Care Systems	4,854	5,762	5,762
1,125	5,939	-271	6,793	6,738	Health Care Systems Analysis	8,132	2,682	2,682
<b>4,874</b>	<b>8,352</b>	<b>-818</b>	<b>12,408</b>	<b>11,550</b>	<i>Subtotal</i>	<b>12,986</b>	<b>8,444</b>	<b>8,444</b>
<b>Health Administration</b>								
2,513	8	7,255	9,776	9,731	Administration and Support Services	3,498	3,498	3,498
<b>2,513</b>	<b>8</b>	<b>7,255</b>	<b>9,776</b>	<b>9,731</b>	<i>Subtotal</i>	<b>3,498</b>	<b>3,498</b>	<b>3,498</b>
<b>Senior Services</b>								
5,793	5	3,608	9,406	9,172	Medical Services for the Aged	6,192	5,097	5,097
4,699	1,188	3,082	8,969	8,873	Pharmaceutical Assistance to the Aged and Disabled	6,949	9,215	9,215
---	---	---	---	---	Lifeline	---	---	---
462	---	196	658	650	Programs for the Aged	462	462	462
---	---	---	---	---	Office of the Ombudsman	---	---	---
776	---	---	776	776	Office of the Public Guardian	850	850	850
<b>11,730</b>	<b>1,193</b>	<b>6,886</b>	<b>19,809</b>	<b>19,471</b>	<i>Subtotal</i>	<b>14,453</b>	<b>15,624</b>	<b>15,624</b>
<b>62,805</b>	<b>13,938</b>	<b>19,691</b>	<b>96,434</b>	<b>94,324</b>	<b>Total Direct State Services - General Fund</b>	<b>75,716</b>	<b>72,245</b>	<b>72,245</b>
<b>DIRECT STATE SERVICES - CASINO REVENUE FUND</b>								
<b>Senior Services</b>								
871	43	131	1,045	1,017	Programs for the Aged	871	871	871
<b>871</b>	<b>43</b>	<b>131</b>	<b>1,045</b>	<b>1,017</b>	<i>Subtotal</i>	<b>871</b>	<b>871</b>	<b>871</b>
<b>871</b>	<b>43</b>	<b>131</b>	<b>1,045</b>	<b>1,017</b>	<b>Total Direct State Services - Casino Revenue Fund</b>	<b>871</b>	<b>871</b>	<b>871</b>
<b>63,676</b>	<b>13,981</b>	<b>19,822</b>	<b>97,479</b>	<b>95,341</b>	<b>TOTAL DIRECT STATE SERVICES</b>	<b>76,587</b>	<b>73,116</b>	<b>73,116</b>
<b>GRANTS-IN-AID - GENERAL FUND</b>								
<b>Health Services</b>								
121,464	3,622	209	125,295	114,549	Family Health Services	130,340	136,447	136,447
67,926	1,321	-218	69,029	68,912	Public Health Protection Services	128,094	56,856	56,856
33,894	---	-2,218	31,676	22,528	AIDS Services	31,898	29,971	29,971
<b>223,284</b>	<b>4,943</b>	<b>-2,227</b>	<b>226,000</b>	<b>205,989</b>	<i>Subtotal</i>	<b>290,332</b>	<b>223,274</b>	<b>223,274</b>

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Year Ending June 30, 2006					Year Ending June 30, 2008			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		2007 Adjusted Approp.	Requested	Recommended
110,425	---	4,000	114,425	114,425	<b>Health Planning and Evaluation</b>			
					Health Care Systems Analysis	159,612	92,462	92,462
<i>110,425</i>	<i>---</i>	<i>4,000</i>	<i>114,425</i>	<i>114,425</i>	<i>Subtotal</i>	<i>159,612</i>	<i>92,462</i>	<i>92,462</i>
					<b>Senior Services</b>			
789,168	5,286	13,985	808,439	806,408	Medical Services for the Aged	847,968	844,168	844,168
124,725	6,100	-34,250	96,575	67,540	Pharmaceutical Assistance to the Aged and Disabled	172,974	106,898	106,898
14,174	4	-196	13,982	13,978	Programs for the Aged	13,938	14,315	14,315
<i>928,067</i>	<i>11,390</i>	<i>-20,461</i>	<i>918,996</i>	<i>887,926</i>	<i>Subtotal</i>	<i>1,034,880</i>	<i>965,381</i>	<i>965,381</i>
<b>1,261,776</b>	<b>16,333</b>	<b>-18,688</b>	<b>1,259,421</b>	<b>1,208,340</b>	<b>Total Grants-In-Aid - General Fund</b>	<b>1,484,824</b>	<b>1,281,117</b>	<b>1,281,117</b>
					<b>GRANTS-IN-AID - CASINO REVENUE FUND</b>			
					<b>Health Services</b>			
529	---	---	529	529	Family Health Services	529	529	529
<i>529</i>	<i>---</i>	<i>---</i>	<i>529</i>	<i>529</i>	<i>Subtotal</i>	<i>529</i>	<i>529</i>	<i>529</i>
					<b>Senior Services</b>			
30,531	---	---	30,531	29,467	Medical Services for the Aged	30,629	29,129	29,129
284,768	165,607	---	450,375	443,757	Pharmaceutical Assistance to the Aged and Disabled	262,017	255,593	255,593
14,884	---	-131	14,753	14,753	Programs for the Aged	14,677	14,677	14,677
<i>330,183</i>	<i>165,607</i>	<i>-131</i>	<i>495,659</i>	<i>487,977</i>	<i>Subtotal</i>	<i>307,323</i>	<i>299,399</i>	<i>299,399</i>
<b>330,712</b>	<b>165,607</b>	<b>-131</b>	<b>496,188</b>	<b>488,506</b>	<b>Total Grants-In-Aid - Casino Revenue Fund</b>	<b>307,852</b>	<b>299,928</b>	<b>299,928</b>
<b>1,592,488</b>	<b>181,940</b>	<b>-18,819</b>	<b>1,755,609</b>	<b>1,696,846</b>	<b>TOTAL GRANTS-IN-AID</b>	<b>1,792,676</b>	<b>1,581,045</b>	<b>1,581,045</b>
					<b>STATE AID - GENERAL FUND</b>			
					<b>Health Services</b>			
2,400	---	---	2,400	2,158	Public Health Protection Services	2,400	2,400	2,400
<i>2,400</i>	<i>---</i>	<i>---</i>	<i>2,400</i>	<i>2,158</i>	<i>Subtotal</i>	<i>2,400</i>	<i>2,400</i>	<i>2,400</i>
					<b>Senior Services</b>			
7,152	---	---	7,152	7,151	Programs for the Aged	7,152	7,152	7,152
<i>7,152</i>	<i>---</i>	<i>---</i>	<i>7,152</i>	<i>7,151</i>	<i>Subtotal</i>	<i>7,152</i>	<i>7,152</i>	<i>7,152</i>
<b>9,552</b>	<b>---</b>	<b>---</b>	<b>9,552</b>	<b>9,309</b>	<b>Total State Aid - General Fund</b>	<b>9,552</b>	<b>9,552</b>	<b>9,552</b>
<b>9,552</b>	<b>---</b>	<b>---</b>	<b>9,552</b>	<b>9,309</b>	<b>TOTAL STATE AID</b>	<b>9,552</b>	<b>9,552</b>	<b>9,552</b>

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Year Ending June 30, 2006					Year Ending June 30, 2008			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2007 Adjusted Approp.	Requested	Recom- mended
					<b>CAPITAL CONSTRUCTION</b>			
					<b>Health Services</b>			
---	443	---	443	317	Laboratory Services	---	---	---
---	443	---	443	317	<i>Subtotal</i>	---	---	---
---	443	---	443	317	<b>TOTAL CAPITAL CONSTRUCTION</b>	---	---	---
<b>1,665,716</b>	<b>196,364</b>	<b>1,003</b>	<b>1,863,083</b>	<b>1,801,813</b>	<b>Total Appropriation, Department of Health and Senior Services</b>	<b>1,878,815</b>	<b>1,663,713</b>	<b>1,663,713</b>

## 20. PHYSICAL AND MENTAL HEALTH 21. HEALTH SERVICES

### OBJECTIVES

1. To provide a system for the registration of births, deaths, marriages, and other vital statistics and to furnish certified copies as requested.
2. To reduce infant mortality and improve the health of mothers and children; to provide medical and dental services to special high risk populations; to provide access to quality medical and developmental intervention services for handicapped children; to provide and promote family planning services; and to identify, treat and minimize the exposure of children at high risk of lead poisoning.
3. To promote and improve local health department practice and performance through regulation, licensing, technical assistance, education, and health service grants.
4. To promote and improve local health delivery services, particularly for low-income and minority families, and assist local health agencies in meeting recognized minimum standards of performance.
5. To assure the wholesomeness and safety of foods and cosmetics; to prevent food-related illnesses and the misbranding, adulteration and illicit tampering of foods and cosmetics; to prevent the spread of animal diseases to man, especially rabies; to enhance the Department's capabilities to protect the citizenry from environmental hazards; to assure the health and safety of youth attending camps and the safety of those persons swimming in recreational waters; to assure a high level of sanitation in health care facilities and various State operated institutions; and to administer animal population control programs.
6. To detect, prevent, control, and treat chronic diseases with emphasis on assistance for persons with low or limited socioeconomic status.
7. To reduce the incidence and spread of tuberculosis.
8. To detect, prevent and control occupationally-related diseases, fatal injuries and hazards in high-risk public and private workplaces.
9. To reduce abuse of and dependence on tobacco.
10. To provide a comprehensive range of timely and accurate public health, environmental and chemical laboratory analytical and diagnostic services to State and federal agencies, physicians, clinics, hospitals, local health departments, and other health care interests in the identification and

control of disease and environmental threats and biological and biochemical terrorism preparedness.

11. To improve the quality of performance in New Jersey's clinical laboratories in the specialties of microbiology, blood banking, chemistry, hematology, serology, and immunohematology and to serve as a reference resource for all laboratories, clinical and analytical, in New Jersey.
12. To reduce the spread of AIDS and HIV infection by providing an integrated continuum of AIDS health and social support services to promote cost-effective treatment, and to expand prevention and education efforts.
13. To reduce death and disability by improving response to medical emergencies, by assuring the availability of trained personnel for emergency medical services.
14. To ensure the timely identification and treatment of infants with biochemical or metabolic disorders, hearing impairments and/or birth defects.

### PROGRAM CLASSIFICATIONS

01. **Vital Statistics.** Collects and records data such as births, deaths and marriages from the 566 local registrars; approves appointment of, instructs and supervises local registrars of vital statistics; receives and processes vital records, searches and makes certified copies of these records (R.S. 26:8-23 et seq.); and processes legal changes of name, adoptions and corrections to vital records.
02. **Family Health Services.** Provides funding of specialized medical and rehabilitative services for handicapped children (R.S. 9:13-1 et seq.); provides and promotes family planning and genetic services (R.S. 26:5B), maternal and child health care (C.26:1A-37E) including supplemental nutrition services, prenatal care, child health supervision, and screening of newborns for metabolic causes of mental retardation and deafness; administers poison control activities, e.g., childhood lead poisoning (C.24:14A-1 et seq.); provides prenatal services for children; coordinates programs on fetal alcohol syndrome and child abuse; provides financial assistance to persons with hemophilia (C.26:2-87 et seq.); provides financial assistance to persons with chronic renal disease (C.26:2-87 et seq.) and general assistance to persons with other chronic diseases (C.26:1A-92 et seq.); provides assistance to local health departments for the provision of primary and preventive health services; and develops community based chronic disease detection programs and supports the special health needs of the geriatric population.

# HEALTH AND SENIOR SERVICES

03. **Public Health Protection Services.** Initiates programs to reduce incidence of sexually transmitted diseases (R.S. 26:4-27 et seq.); controls tuberculosis (R.S. 26:4-1 et seq.); monitors and initiates programs to reduce the incidence of other communicable diseases such as hepatitis, measles, polio, pertussis, and diphtheria; and maintains a cancer registry which provides epidemiologic intelligence regarding cancer associated risk factors for control and prevention activities. Assists in training of emergency medical personnel and coordinating emergency medical services, including aeromedical response. Assures quality of food and milk, drugs, and general sanitation (C.26:1A-7); distributes vaccine for the prevention of rabies; and assures the appropriate utilization of funds from dog license fees (\$1.00 per dog) to support activities. Performs health investigations in private and public workplaces to evaluate occupational exposures; conducts medical screenings for individuals exposed to chemicals; implements the worker provisions of the Worker and Community Right to Know Act and the health provisions of the Public Employees Occupational Safety and Health Act; collects occupational illness and exposure data; conducts environmental monitoring, health assessments, health screening and epidemiologic investigations of community exposure to toxic substances, and implements the State asbestos policy; and provides assistance to local health departments for the provision of primary and preventive health services. Directs the State's Comprehensive Tobacco Control Program to

provide client counseling and treatment services.

08. **Laboratory Services.** Performs comprehensive analytical and diagnostic laboratory services through five primary service categories on a 24 hour-7 day a week basis, which includes: Bacteriology (e.g., tuberculosis, dairy products, sexually transmitted diseases, gastrointestinal illnesses, drinking water, and ocean pollution); Virology (e.g., AIDS, influenza, Rubella, and rabies); Serology (e.g., Lyme, Legionella, and syphilis); Inborn Errors of Metabolism (e.g., sickle cell, hypothyroidism, PKU, and Galactosemia), and Environmental and Chemical (e.g., blood lead, asbestos, drugs, water, food, and other environmental and chemical contaminants). Clinical Laboratory Services performs tests and monitors the quality of laboratory testing performed in independent, hospital and public health laboratories in the state; inspects, proficiency tests and licenses all such laboratories (C.45:9-42.26 et seq.); improves techniques of laboratory personnel by conducting workshops and seminars as necessary; and certifies clinical laboratories for Medicare participation.

12. **AIDS Services.** Promotes the health of the people of New Jersey by reducing the spread of AIDS by establishing and maintaining a comprehensive system of HIV/AIDS-related prevention, surveillance, counseling and testing, and health and supportive services.

## EVALUATION DATA

PROGRAM DATA	Actual FY 2005	Actual FY 2006	Revised FY 2007	Budget Estimate FY 2008
<b>Vital Statistics</b>				
Searches .....	148,478	154,621	165,000	175,000
Certified copies issued .....	114,214	118,939	120,000	130,000
<b>Family Health Services</b>				
Agencies receiving health services grants .....	434	462	485	500
<b>Handicapped Children</b>				
Physically disabled children receiving services .....	42,000	42,500	43,000	43,000
Children newly registered with Special Child Health Services .....	7,756	8,423	8,700	8,700
<b>Maternal and Child Health</b>				
Infant mortality rate/1,000 live births .....	5.7	5.7	5.7	5.7
Infant born to mothers with no prenatal care/1,000 live births (a) .....	11.0	11.0	11.0	11.0
Newborns screened for metabolic and genetic disorders ...	110,473	110,851	118,000	118,000
Number of infants to be followed .....	5,945	6,400	7,200	7,200
Number of infants in early intervention .....	16,475	17,403	19,650	20,700
HealthStart (prenatal) .....	36,500	35,439	33,500	31,000
Women assessed for alcohol use/abuse during pregnancy .	34,000	28,546	32,000	35,000
Women, Infants and Children (WIC) receiving services ...	265,944	269,548	275,000	280,000
<b>Family Planning</b>				
Women in reproductive years applying for and receiving services .....	124,133	126,827	129,000	131,000
<b>Poison Control</b>				
Children screened for lead poisoning .....	200,000	222,000	240,000	240,000
Number of lead poisoned children identified .....	5,200	5,200	5,200	5,200
<b>Adult Health</b>				
Adults served with Cystic Fibrosis .....	100	99	105	105
<b>Health Promotion</b>				
Persons screened and educated for breast and cervical cancer .....	21,363	22,449	20,000	20,000
Number of renal patients served .....	1,276	1,371	1,350	1,350



# HEALTH AND SENIOR SERVICES

	Actual FY 2005	Actual FY 2006	Revised FY 2007	Budget Estimate FY 2008
<b>Public Health Protection Services</b>				
Cancer and Epidemiological Services				
Number of new cancer cases reported .....	125,033	118,228	125,000	125,000
Number of cumulative cancer reports in master file .....	1,868,366	1,986,594	2,112,000	2,237,000
Tuberculosis Control				
TB cases on register as of June 30 .....	512	511	478	478
Visits to chest clinics .....	67,230	65,362	64,000	64,000
Percent of TB patients completing chemotherapy .....	88.1%	81.8%	87.0%	85.0%
Emergency Medical Services				
Mobile intensive care paramedics certified/recertified .....	790	790	884	900
Emergency Medical Technicians certified/recertified .....	8,000	8,000	7,700	7,800
Helicopter response missions .....	2,500	2,500	2,500	2,500
Mobile intensive care unit's patient charts audited .....	1,000	1,000	1,000	1,000
Ambulance/invalid services licensed .....	350	350	374	400
Ambulance/invalid vehicles licensed .....	2,500	2,500	2,884	3,000
EMT training agencies certified .....	64	64	67	70
Sexually Transmitted Diseases (STD)				
Percent of STD clinic patients receiving education about				
HIV infection .....	75%	75%	75%	75%
Reported cases of early syphilis .....	468	406	475	500
Syphilis cases (early and late) brought to treatment by				
Department of Health .....	780	741	800	825
Reported cases of gonorrhea .....	6,095	5,398	5,200	5,100
Gonorrhea cases brought to treatment by Department of				
Health .....	1,946	1,728	1,700	1,650
Visits to STD clinics .....	17,962	17,535	18,000	18,200
Patients receiving diagnostic services .....	10,326	10,093	10,500	10,700
Consumer Health				
Pet spay/neuter surgeries performed .....	5,346	5,300	6,000	6,000
Registration of dogs (rabies control) .....	466,941	486,706	465,000	465,000
Environmental and sanitary inspections and investigations				
conducted .....	6,500	6,500	6,000	6,000
Number of food, drug and cosmetic embargoes,				
destructions and recalls .....	25	35	40	40
Other Communicable Disease Control				
Number of disease cases reported .....	9,903	9,600	10,000	10,000
Number of investigations of outbreaks .....	110	150	150	150
Levels of protection for children entering school against:				
Rubella .....	98%	98%	99%	99%
Measles .....	98%	98%	99%	99%
Mumps .....	98%	98%	99%	99%
Polio .....	98%	98%	99%	99%
Diphtheria .....	98%	98%	99%	99%
Infectious disease consultations .....	27,600	30,000	33,000	33,000
Non-outbreak investigations .....	280	300	300	300
Lyme disease hotline calls .....	1,600	1,600	1,600	1,600
Public Employees Occupational Safety and Health				
Complaint inspections conducted .....	531	484	510	510
Telephone consultations .....	1,225	877	875	875
Educational seminars presented .....	193	144	145	145
Right to Know				
Fact sheets written or revised .....	144	85	120	200
Public and private workplaces inspected .....	1,144	423	400	400
Telephone consultations .....	3,540	3,500	3,500	3,500
Occupational Health Surveillance				
Exposure and illness reports received .....	20,000	20,000	20,000	20,000
Educational materials mailed to public .....	4,000	4,000	4,000	4,000
In-depth industrial hygiene evaluations .....	50	50	50	50
Follow-up industrial hygiene evaluations .....	5	5	5	5
Work-related chronic disease and epidemiology studies ..	5	5	5	5
Worker interviews and mailings .....	600	600	600	600

# HEALTH AND SENIOR SERVICES

	Actual FY 2005	Actual FY 2006	Revised FY 2007	Budget Estimate FY 2008
<b>Environmental Health Services</b>				
Certification of private training agencies .....	35	35	35	35
Audits of asbestos and lead training agencies .....	100	100	100	100
Quality assurance inspections in schools .....	125	125	125	125
Major community health field study ongoing .....	12	12	12	12
Telephone consultations .....	4,300	4,500	4,500	4,500
Responses to acute environmental emergencies .....	15	25	20	20
Consultations provided to other agencies and to the public Local health consultations, evaluations, and training services .....	20	30	35	35
	9,978	10,983	11,034	11,047
<b>Laboratory Services</b>				
<b>Bacteriology</b>				
Specimens analyzed .....	148,654	151,544	140,000	142,000
<b>Inborn Errors of Metabolism</b>				
Specimens performed .....	123,810	125,791	147,000	149,000
<b>Chemistry</b>				
Asbestos samples examined .....	38	---	---	---
Occupational health samples examined .....	---	5	5	5
Sewage, stream & trade waste samples examined .....	3,369	4,636	4,500	4,500
Narcotic samples examined .....	187,804	146,539	154,000	162,000
Potable water samples examined .....	2,607	3,559	3,000	3,000
Food and milk samples examined .....	5,982	6,064	6,070	6,100
Blood lead samples examined .....	7,091	6,394	6,500	6,500
<b>Clinical Laboratory Services</b>				
Clinical laboratories licensed .....	1,675	1,700	1,700	1,700
Proficiency test samples (percent acceptable) .....	95%	95%	95%	95%
Proficiency test samples reviewed .....	56,908	57,401	57,500	57,500
Blood banks inspected .....	58	75	90	93
Clinical laboratory inspections .....	389	400	440	440
Blood banks licensed .....	240	258	270	280
<b>Serology</b>				
Routine screen tests for syphilis .....	29,436	26,613	30,000	30,000
<b>Virology</b>				
Specimens analyzed .....	67,946	102,613	75,000	75,000
<b>AIDS Services</b>				
Number of clients tested and counseled .....	68,700	74,277	76,505	78,800
Contact tracing of individuals .....	400	329	400	400
Hotline network calls .....	11,909	10,109	6,000	6,000
Living AIDS clients .....	17,623	18,047	18,552	19,057
HIV positive clients .....	15,690	16,063	16,527	16,991
Clients receiving early intervention services .....	9,000	8,500	8,500	8,500
Individuals reached/HIV training .....	1,820	1,000	1,000	1,000
AIDS Drug Distribution Program clients served .....	6,899	6,872	7,113	7,361
<b>PERSONNEL DATA</b>				
<b>Position Data</b>				
<b>Filled Positions by Funding Source</b>				
State Supported .....	357	358	326	337
Federal .....	573	570	551	597
All Other .....	94	104	106	105
Total Positions .....	1,024	1,032	983	1,039
<b>Filled Positions by Program Class</b>				
Vital Statistics .....	56	58	53	57
Family Health Services .....	205	206	200	210
Public Health Protection Services .....	478	492	468	502
Laboratory Services .....	138	134	135	130
AIDS Services .....	147	142	127	140
Total Positions .....	1,024	1,032	983	1,039

## Notes:

Actual payroll counts are reported for fiscal years 2005 and 2006 as of December and revised fiscal year 2007 as of January. The Budget Estimate for fiscal year 2008 reflects the number of positions funded. All Other includes positions supported by fees or other dedicated resources previously reported as State Supported.

# HEALTH AND SENIOR SERVICES

(a) Rates for fiscal years 2005 and 2006 have been restated based on 1,000 live births to conform to fiscal year 2007 and 2008 presentation.

## APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2006					Year Ending June 30, 2008				
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Expended	Prog. Class.	2007 Adjusted Approp.	Requested	Recom- mended	
<b>DIRECT STATE SERVICES</b>									
<b>Distribution by Fund and Program</b>									
1,627	1,856	-878	2,605	2,594	Vital Statistics	01	1,678	1,678	1,678
2,079	---	2,404	4,483	4,423	Family Health Services	02	2,278	2,178	2,178
30,395	1,881	1,706	33,982	33,208	Public Health Protection Services	03	30,784	30,784	30,784
7,697	642	838	9,177	9,166	Laboratory Services	08	8,048	8,048	8,048
1,890	6	2,298	4,194	4,181	AIDS Services	12	1,991	1,991	1,991
<b>43,688</b>	<b>4,385</b>	<b>6,368</b>	<b>54,441</b>	<b>53,572</b>	<b>Total Direct State Services</b>		<b>44,779</b> <sup>(a)</sup>	<b>44,679</b>	<b>44,679</b>
<b>Distribution by Fund and Object</b>									
Personal Services:									
15,172	3,456 <sup>R</sup>	475	19,103	19,093	Salaries and Wages		16,035	16,035	16,035
<b>15,172</b>	<b>3,456</b>	<b>475</b>	<b>19,103</b>	<b>19,093</b>	<b>Total Personal Services</b>		<b>16,035</b>	<b>16,035</b>	<b>16,035</b>
2,229	---	70	2,299	2,261	Materials and Supplies		2,229	2,229	2,229
964	6	4,972	5,942	5,923	Services Other Than Personal		937	937	937
153	---	1,100	1,253	1,253	Maintenance and Fixed Charges		153	153	153
Special Purpose:									
---	---	---	---	---	Family Health Services	02	100	---	---
87	---	---	87	81	WIC Farmers Market Program	02	87	87	87
90	---	---	90	70	Breast Cancer Public Awareness Campaign	02	90	90	90
300	---	---	300	300	Identification System for Children's Health and Disabilities	02	300	300	300
500	---	---	500	499	Public Awareness Campaign for Black Infant Mortality	02	500	500	500
---	---	175	175	163	Cancer Screening - Early Detection and Education Program	02	---	---	---
1,450	---	---	1,450	1,439	New Jersey Domestic Security Preparedness	03	1,450	1,450	1,450
4,000	---	---	4,000	3,973	Medical Emergency Disaster Preparedness for Bioterrorism	03	4,000	4,000	4,000
400	---	---	400	400	Cancer Registry	03	400	400	400
500	---	-15	485	482	Cancer Investigation and Education	03	500	500	500
---	---	218	218	218	Implementation of Comprehensive Cancer Control Program	03	---	---	---
50	---	---	50	50	Emergency Medical Services for Children	03	50	50	50
7,000	---	---	7,000	6,999	School Based Programs and Youth Anti-Smoking	03	7,000	7,000	7,000
4,000	---	---	4,000	3,999	Anti-Smoking Programs	03	4,000	4,000	4,000
1,000	156	15	1,171	710	New Jersey State Commission on Cancer Research	03	1,000	1,000	1,000
720	125	---	845	702	Medical Waste Management Program	03	720	720	720
300	---	---	300	300	Animal Welfare	03	300	300	300
2,133	---	---	2,133	2,017	Worker and Community Right to Know	03	2,288	2,288	2,288
200	---	---	200	200	New Jersey Coalition to Promote Cancer Prevention, Early Detection & Treatment	03	200	200	200
---	642 <sup>R</sup>	-642	---	---	Laboratory Services	08	---	---	---

# HEALTH AND SENIOR SERVICES

Year Ending June 30, 2006					Year Ending June 30, 2008				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2007 Adjusted Approp.	Requested	Recommended	
1,800	---	---	1,800	1,800	<b>DIRECT STATE SERVICES</b>				
640	---	---	640	640	08	1,800	1,800	1,800	
					08	640	640	640	
					<b>GRANTS-IN-AID</b>				
					<b>Distribution by Fund and Program</b>				
121,993	3,622	209	125,824	115,078	02	130,869	136,976	136,976	
121,464	3,622	209	125,295	114,549		130,340	136,447	136,447	
529	---	---	529	529		529	529	529	
67,926	1,321	-218	69,029	68,912	03	128,094	56,856	56,856	
33,894	---	-2,218	31,676	22,528	12	31,898	29,971	29,971	
<b>223,813</b>	<b>4,943</b>	<b>-2,227</b>	<b>226,529</b>	<b>206,518</b>		<b>290,861</b>	<b>223,803</b>	<b>223,803</b>	
223,284	4,943	-2,227	226,000	205,989		290,332	223,274	223,274	
529	---	---	529	529		529	529	529	
					<b>Distribution by Fund and Object</b>				
					Special Purpose:				
---	---	---	---	---	03	12,000	12,000	12,000	
4,767	---	---	4,767	4,753	02	7,009	7,509	7,509	
1,305	---	---	1,305	1,305	02	1,171	1,171	1,171	
2,252	---	---	2,252	2,234	02	2,366	2,366	2,366	
459	---	---	459	459	02	483	483	483	
339	---	---	339	339	02	357	357	357	
31	---	---	31	31	02	33	33	33	
529	---	---	529	529	02	529	529	529	
2,095	---	-95	2,000	2,000	02	---	2,617	2,617	
5,448	---	-47	5,401	5,401	02	5,747	5,747	5,747	
---	---	---	---	---	02	160	---	---	
1,000	---	---	1,000	990	02	---	---	---	
883	---	---	883	875	02	927	927	927	
525	---	---	525	525	02	551	551	551	
59,965	---	11,776	71,741	71,741	02	80,009	97,009	97,009	
651	---	---	651	651	02	685	685	685	
1,250	609	---	1,859	1,859	02	1,250	1,250	1,250	
5,400	---	-175	5,225	5,215	02	5,672	5,672	5,672	
197	---	---	197	197	02	207	207	207	
297	---	---	297	297	02	313	313	313	
250	---	---	250	250	02	---	---	---	
---	---	---	---	---	02	1,500	---	---	
3,000	3,000	---	6,000	5,811	02	---	---	---	
2,500	---	-2,500	---	---	02	2,500	2,500	2,500	
2,000	---	---	2,000	1,334	02	2,000	2,000	2,000	
300	---	---	300	300	02	350	---	---	

# HEALTH AND SENIOR SERVICES

Year Ending June 30, 2006					Year Ending June 30, 2008				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2007 Adjusted Approp.	Requested	Recom- mended	
<b>GRANTS-IN-AID</b>									
50	---	---	50	50	New Jersey Council on Physical Fitness and Sports	02	50	50	50
26,000	---	-8,750	17,250	7,932	Federally Qualified Health Centers - Services to Family Care Clients (C)	02	5,000	5,000	5,000
500	---	---	500	---	Early Intervention for Infants and Toddlers with Disabilities (Part H)	02	---	---	---
---	13	---	13	---	Pediatric Asthma Reduction Effort (PARE), Passaic	02	---	---	---
1,536	---	---	1,536	1,536	Tuberculosis Services	03	1,630	1,630	1,630
1,500	---	-218	1,282	1,282	Implementation of Comprehensive Cancer Control Program	03	1,500	1,500	1,500
4,000	---	---	4,000	4,000	Trinitas Hospital	03	4,700	---	---
85	---	---	85	---	Community Provider Cost of Living Adjustment, Public Health Protection	03	---(d)	94	94
---	---	---	---	---	Jersey City Medical Center	03	25,700 12,400 <sup>S</sup>	---	---
---	---	---	---	---	St. Mary Hospital, Hoboken	03	4,000	---	---
---	---	---	---	---	Solaris Health System	03	1,800	---	---
830	---	---	830	830	Immunization Services	03	880	880	880
---	---	---	---	---	Hemophilia Association of New Jersey	03	200	---	---
---	---	---	---	---	St. Barnabas Neurological Center	03	350	---	---
---	---	---	---	---	Voices for Patient Protection	03	32	---	---
444	---	---	444	444	AIDS Communicable Disease Control	03	471	471	471
---	1,321	---	1,321	1,289	Coriell Institute for Medical Research-NJ Cord Blood Resource Center	03	---	---	---
---	---	---	---	---	Palisades Medical Center	03	1,000	---	---
22,250	---	---	22,250	22,250	Cancer Institute of New Jersey	03	22,250	25,250	25,250
---	---	---	---	---	Cancer Institute of New Jersey, South Jersey Program - Debt Service	03	6,900	---	---
37,000	---	---	37,000	37,000	Cancer Research	03	32,000	14,750	14,750
281	---	---	281	281	Worker and Community Right to Know	03	281	281	281
498	---	---	498	400	Community Provider Cost of Living Adjustment, AIDS Services	12	---(e)	1,073	1,073
18,696	---	-2,197	16,499	16,449	AIDS Grants	12	18,698	18,698	18,698
5,700	---	-21	5,679	5,679	Rapid AIDS Testing	12	4,200	4,200	4,200
9,000	---	---	9,000	---	AIDS Drug Distribution Program	12	9,000	6,000	6,000
<b>STATE AID</b>									
<b>Distribution by Fund and Program</b>									
2,400	---	---	2,400	2,158	Public Health Protection Services	03	2,400	2,400	2,400
<b>2,400</b>	<b>---</b>	<b>---</b>	<b>2,400</b>	<b>2,158</b>	<b>Total State Aid</b>		<b>2,400</b>	<b>2,400</b>	<b>2,400</b>
<b>Distribution by Fund and Object</b>									
State Aid:									
2,400	---	---	2,400	2,158	Public Health Priority Funding	03	2,400	2,400	2,400

# HEALTH AND SENIOR SERVICES

Year Ending June 30, 2006					Year Ending June 30, 2008				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2007 Adjusted Approp.	Requested	Recommended	
<b>CAPITAL CONSTRUCTION</b>									
<b>Distribution by Fund and Program</b>									
---	443	---	443	317	Laboratory Services	08	---	---	---
---	<b>443</b>	---	<b>443</b>	<b>317</b>	<b>Total Capital Construction</b>		---	---	---
<b>Distribution by Fund and Object</b>									
<b>Division of Public Health and Environmental Laboratories</b>									
---	165	---	165	138	Improvements to Laboratories and Installed Equipment	08	---	---	---
---	266	---	266	179	Laboratory Equipment	08	---	---	---
---	2	---	2	---	Warehouse Equipment	08	---	---	---
---	10	---	10	---	Clinical Laboratory Services - Automation	08	---	---	---
<b>269,901</b>	<b>9,771</b>	<b>4,141</b>	<b>283,813</b>	<b>262,565</b>	<b>Grand Total State Appropriation</b>		<b>338,040</b>	<b>270,882</b>	<b>270,882</b>
<b>OTHER RELATED APPROPRIATIONS</b>									
<b>Federal Funds</b>									
850	360	---	1,210	411	Vital Statistics	01	1,100	1,100	1,100
161,038					Family Health Services	02	170,302	191,555	191,555
6,590 <sup>S</sup>	22,732	9,409	199,769	146,962	Public Health Protection Services	03	68,472	69,757	69,757
71,198	10,346	1,669	83,515	58,121	Laboratory Services	08	5,394	3,649	3,649
302 <sup>S</sup>					AIDS Services	12	80,758	79,495	79,495
4,773	1,710	25	6,593	4,012	<b>Total Federal Funds</b>		<b>326,026</b>	<b>345,556</b>	<b>345,556</b>
85 <sup>S</sup>					<b>All Other Funds</b>				
74,863					Vital Statistics	01	600	600	600
423 <sup>S</sup>	7,421	---	82,707	63,802	Family Health Services	02	43,606	56,506	56,506
<b>320,122</b>	<b>42,569</b>	<b>11,103</b>	<b>373,794</b>	<b>273,308</b>	Public Health Protection Services <sup>(f)</sup>	03	9,615	11,696	11,696
					Laboratory Services	08	350	350	350
					AIDS Services	12	26,506	25,000	25,000
					<b>Total All Other Funds</b>		<b>80,677</b>	<b>94,152</b>	<b>94,152</b>
					<b>GRAND TOTAL ALL FUNDS</b>		<b>744,743</b>	<b>710,590</b>	<b>710,590</b>

## Notes -- Direct State Services - General Fund

(a) The fiscal year 2007 appropriation has been adjusted for the allocation of salary program, which includes \$102,000 in appropriated receipts, as well as the reallocation of State appropriations supporting information technology services to the Office of Information Technology within the Department of Treasury.

## Notes -- Grants-In-Aid - General Fund

(b) Adjusted Appropriation for Community Provider of Cost of Living Adjustment, Family Health Services has been allocated to other accounts.

(c) In addition to the amount recommended in fiscal year 2008, \$40 million is funded from the Health Care Subsidy Fund.

(d) Adjusted Appropriation for Community Provider of Cost of Living Adjustment, Public Health Protection has been allocated to other accounts.

(e) Adjusted Appropriation for Community Provider of Cost of Living Adjustment, AIDS Services has been allocated to other accounts.

## Notes -- All Other

(f) In addition to the resources reflected in All Other Funds above, a total of \$4.722 million will be transferred from the Department of Treasury to support operations and services related to the Medical Emergency Disaster Preparedness for Bioterrorism program in fiscal 2008. The recent history of such receipts is reflected in the Department of Treasury's budget.

## **Language Recommendations -- Direct State Services - General Fund**

- The unexpended balance at the end of the preceding fiscal year in the New Jersey Emergency Medical Service Helicopter Response Program account is appropriated.
- Notwithstanding the provisions of any law or regulation to the contrary, there is appropriated \$150,000 from the "Emergency Medical Technician Training Fund" to fund the Emergency Medical Services for Children Program.
- Notwithstanding the provisions of any law or regulation to the contrary, there is appropriated from the "Emergency Medical Technician Training Fund" \$79,000 for Emergency Medical Services and \$125,000 for the First Response EMT Cardiac Training Program.
- The amount hereinabove appropriated for the New Jersey State Commission on Cancer Research is charged to the Cancer Research Fund pursuant to section 5 of P.L.1982, c.40 (C.54:40A-37.1).
- The unexpended balance at the end of the preceding fiscal year in the New Jersey State Commission on Cancer Research account is appropriated.
- Amounts deposited in the "New Jersey Breast Cancer Research Fund" from the gross income tax check-offs pursuant to the provisions of P.L.1995, c.26 (C.54A:9-25.7 et al.) are appropriated to the New Jersey State Commission on Cancer Research for breast cancer research projects, subject to the approval of the Director of the Division of Budget and Accounting.
- The unexpended balance at the end of the preceding fiscal year in the Medical Waste Management Program account, together with any receipts received by the Department of Health and Senior Services pursuant to the provisions of the "Comprehensive Regulated Medical Waste Management Act," P.L.1989, c.34 (C.13:1E-48.1 et al.), is appropriated.
- Notwithstanding the provisions of the "Worker and Community Right to Know Act," P.L.1983, c.315 (C.34:5A-1 et seq.), the amount hereinabove appropriated for the Worker and Community Right to Know account is payable out of the "Worker and Community Right to Know Fund," and the receipts in excess of the amount anticipated, not to exceed \$764,000, are appropriated. If receipts to that fund are less than anticipated, the appropriation shall be reduced proportionately.
- Receipts derived from the agency surcharge on vehicle rentals pursuant to section 54 of P.L. 2002, c.34 (C.App.A:9-78), not to exceed \$4,722,000, are appropriated for the Medical Emergency Disaster Preparedness for Bioterrorism program and shall be deposited into a dedicated account, the expenditure of which shall be subject to the approval of the Director of the Division of Budget and Accounting.
- Notwithstanding the provisions of any law or regulation to the contrary, the amounts hereinabove appropriated for the two anti-smoking programs (School Based Programs and Youth Anti-Smoking, and Anti-Smoking Programs) shall be charged to the proceeds of the increase in the cigarette tax, established pursuant to P.L. 2002, c.33.
- Notwithstanding the provisions of section 4 of P.L. 1997, c.264 (C.26:2H-18.58g), \$11,000,000 is appropriated for anti-smoking programs (School Based Programs and Youth Anti-Smoking, and Anti-Smoking Programs).
- In order to permit flexibility in the handling of the various appropriations for anti-tobacco initiative accounts hereinabove, funds may be transferred to and from the following items of appropriations: School Based Programs and Youth Anti-Smoking, and Anti-Smoking Programs. Such transfers are subject to the approval of the Director of the Division of Budget and Accounting. Notice thereof shall be provided to the Legislative Budget and Finance Officer on the effective date of the approved transfer.
- The Director of the Division of Budget and Accounting is empowered to transfer or credit appropriations to the Department of Health and Senior Services for diagnostic laboratory services provided to any other agency or department; provided further, however, that funds have been appropriated or allocated to such agency or department for the purpose of purchasing these services.
- Receipts from fees established by the Commissioner of Health and Senior Services for licensing of clinical laboratories, pursuant to P.L.1975, c.166 (C.45:9-42.26 et seq.), and blood banks, pursuant to P.L.1963, c.33 (C.26:2A-2 et seq.), are appropriated.
- Receipts from licenses, permits, fines, penalties, and fees collected by the Department of Health and Senior Services in Health Services, in excess of those anticipated, are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

## **Language Recommendations -- Grants-In-Aid - General Fund**

- Of the amounts hereinabove appropriated for Family Planning Services, \$2,500,000 shall be appropriated to the Office of Maternal and Child Health in the Department of Health and Senior Services for family planning.
- In addition to the amount hereinabove, receipts from the federal Medicaid (Title XIX) program for handicapped infants are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.
- Of the amount hereinabove appropriated for Cancer Screening - Early Detection and Education Program, an amount may be transferred to Direct State Services in the Department of Health and Senior Services to cover administrative costs of the program, subject to the approval of the Director of the Division of Budget and Accounting.
- There is appropriated \$570,000 from the Alcohol Education, Rehabilitation and Enforcement Fund to fund the Fetal Alcohol Syndrome Program.
- Of the amount hereinabove appropriated for the Implementation of Comprehensive Cancer Control Program, an amount may be transferred to Direct State Services in the Department of Health and Senior Services to cover administrative costs of the program and to the corresponding program in Family Health Services in the Department of Health and Senior Services for the same purpose, subject to the approval of the Director of the Division of Budget and Accounting.
- From the amount hereinabove appropriated for the Cancer Institute of New Jersey, \$250,000 is appropriated to the Ovarian Cancer Research Fund.
- There are appropriated from the New Jersey Emergency Medical Service Helicopter Response Program Fund, established pursuant to section 2 of P.L.1992, c.87 (C.26:2K-36.1), such sums as are necessary to pay the reasonable and necessary expenses of the operation of the New Jersey Emergency Medical Service Helicopter Response Program, established pursuant to P.L.1986, c.106 (C.26:2K-35 et seq.), subject to the approval of the Director of the Division of Budget and Accounting.

# HEALTH AND SENIOR SERVICES

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Notwithstanding the provisions of any law or regulation to the contrary, in order to maximize prescription drug coverage under the Medicare Part D program established pursuant to the federal "Medicare Prescription Drug, Improvement, and Modernization Act of 2003," the AIDS Drug Distribution Program (ADDP) shall be designated the authorized representative for the purposes of coordinating benefits with the Medicare Part D program, including enrollment and appeals of coverage determinations. ADDP is authorized to represent program beneficiaries in the pursuit of such coverage. ADDP representation shall not result in any additional financial liability on behalf of such program beneficiaries and shall include, but need not be limited to, the following actions: application for the premium and cost-sharing subsidies on behalf of eligible program beneficiaries; pursuit of appeals, grievances, or coverage determinations; and facilitated enrollment in a prescription drug plan or MA-PD plan. If the beneficiary declines enrollment in any Medicare Part D plan, the beneficiary shall be barred from all benefits of the ADDP Program.

Notwithstanding the provisions of any law or regulation to the contrary, the appropriation hereinabove to the AIDS Drug Distribution Program (ADDP) is conditioned upon the Department of Health and Senior Services coordinating the benefits of ADDP with the prescription drug benefits of the Medicare Part D program established pursuant to the federal "Medicare Prescription Drug, Improvement, and Modernization Act of 2003" as the primary payer. The ADDP benefit and reimbursement shall only be available to cover the beneficiary cost share to in-network pharmacies and for deductible and coverage gap costs, as determined by the Commissioner of Health and Senior Services, associated with enrollment in Medicare Part D for ADDP beneficiaries, and for Medicare Part D premium costs for ADDP beneficiaries.

Notwithstanding the provisions of any law or regulation to the contrary, effective January 1, 2006, no funds appropriated in the AIDS Drug Distribution Program (ADDP) account, shall be available as payment as an ADDP benefit to any pharmacy that is not enrolled as a participating pharmacy in a pharmacy network under the Medicare Part D program established pursuant to the federal "Medicare Prescription Drug, Improvement, and Modernization Act of 2003."

Commencing with the start of the fiscal year, and consistent with the requirements of the federal "Medicare Prescription Drug, Improvement, and Modernization Act of 2003" (MMA), no funds hereinabove appropriated from the AIDS Drug Distribution Program (ADDP) account shall be expended for any individual enrolled in the ADDP program unless the individual provides all data that may be necessary to enroll the individual in the Medicare Part D program established pursuant to the MMA, including data required for the subsidy assistance, as outlined by the Centers for Medicare and Medicaid Services.

In order to permit flexibility in the handling of appropriations, amounts may be transferred to and from the various items of appropriation within the AIDS Services program classification in the Department of Health and Senior Services, subject to the approval of the Director of the Division of Budget and Accounting. Notice thereof shall be provided to the Legislative Budget and Finance Officer on the effective date of the approved transfer.

Notwithstanding the provisions of any law or regulation to the contrary, the amount hereinabove appropriated for the Early Childhood Intervention Program shall be used by the Department of Health and Senior Services to establish a progressive fee for each hour of direct services provided to the child and/or the child's family in accordance with the child's Individualized Family Service Plan, based upon household size and gross income as determined by the Early Childhood Intervention Program, as compared to the federal poverty guidelines. The family cost participation shall not be considered an administrative rule or rule within the meaning of the "Administrative Practice Act."

There are hereby appropriated such sums as are required to pay all amounts due from the State pursuant to any contract entered into between the State Treasurer and the New Jersey Health Care Facilities Financing Authority pursuant to N.J.S.A. 26:21-7.1 in connection with the hospital asset transformation program.

## Language Recommendations -- State Aid - General Fund

The capitation for Public Health Priority Funding is set not to exceed \$.40 for the fiscal year ending June 30, 2008 for the purposes prescribed in P.L.1966, c.36 (C.26:2F-1 et seq.).

Notwithstanding the provisions of any law or regulation to the contrary, the amount hereinabove appropriated for the Public Health Priority Funding shall not be allocated to county health departments.

## 20. PHYSICAL AND MENTAL HEALTH 22. HEALTH PLANNING AND EVALUATION

### OBJECTIVES

1. To ensure high quality health care accessible to all New Jerseyans, in a safe environment, utilizing the appropriate level of health care facilities, at reasonable costs; to enhance the Department's response to consumer complaints and to conduct on-site visits at all health care facilities against which a complaint has been filed; to ensure that all new applications for licensure are capable of providing high quality care to the ill, the aging, and the vulnerable elderly and young; to continue development and implementation of improved licensure regulations for health care delivery; to monitor the quality of health care personnel training programs and to ensure an adequate number of certified personnel capable of providing quality care; and to increase consumer and professional awareness of the quality of care at New Jersey's licensed health care facilities.
2. To coordinate the development of public health and regulatory databases and the publication of health services research.
3. To administer a Certificate of Need program for certain types of health care facilities/services in order to assure access to needed health care services that are of high quality, and to administer a comprehensive licensure and inspection program to assure quality of services in licensed health care facilities.
4. Allocate health care subsidy funds for hospitals and other health care initiatives; review and analyze issues related to health care financing.
5. To develop Medicaid reimbursement policies and procedures to refine the system in response to changes in the health care environment.
6. To develop analytical data on key hospital quality and outcome measures for dissemination to the public.



# HEALTH AND SENIOR SERVICES

## PROGRAM CLASSIFICATIONS

**06. Long Term Care Systems.** Conducts on-site inspections and licenses nursing homes, residential health care facilities, assisted living residences, comprehensive personal care homes, alternate family care and medical day care; maintains a survey and certification program for nursing homes; investigates complaints received from consumers and other State and federal agencies; develops new and revises existing licensing standards; licenses nursing home administrators, certifies nurse aides in long term care facilities, including criminal background checks and training programs; and provides consumers and professionals with information. The mission is to ensure that New Jersey citizens receive quality health care at appropriate levels of care in the regulated

facilities under the Division's purview. Emphasis is placed on senior services. Contributes to the development of the State Health Plan; administers the Certificate of Need program; evaluates and controls capital expenditures for health facilities; establishes and maintains uniform health facility reporting systems; and establishes a subsidized health benefits program for workers and the temporarily unemployed.

**07. Health Care Systems Analysis.** Administers the allocation of health care subsidy funds for hospitals and other health care initiatives; reviews and analyzes other issues related to health care financing; relates to other agencies in the State and federal government that are affected by the planning and reimbursement system; and administers and develops analytical data, which includes data on all vital health events to determine the health status of New Jerseyans.

## EVALUATION DATA

	Actual FY 2005	Actual FY 2006	Revised FY 2007	Budget Estimate FY 2008
<b>PROGRAM DATA</b>				
<b>Long Term Care Systems</b>				
Licensed health care facilities .....	873	766	800	840
Licensed nursing home administrators .....	1,100	925	1,000	1,050
Total licenses issued .....	986	936	1,000	1,080
Number of beds licensed .....	84,819	82,186	84,000	86,000
Total inspections .....	3,800	3,000	3,400	3,400
Total federally certified licensed facilities .....	9	9	9	9
Total federally certified licensed beds .....	3,627	3,665	3,500	3,500
Administrative actions/penalties .....	105	125	130	135
Federal Enforcement Actions .....	1,500	1,500	1,250	1,500
Nurse Aide applications processed .....	22,800	23,200	24,000	24,500
Inspections of Acute Care facilities .....	728	576	576	576
Complaints investigations .....	1,028	2,087	1,180	1,180
Acute Health Care facilities licensed .....	1,000	1,000	1,060	1,060
Acute Health Care facilities license applications processed ..	1,350	1,400	1,300	1,300
Acute Health Care facilities enforcement actions/penalties ...	40	40	40	40
Certificate of Need applications processed .....	60	60	60	70
<b>Health Care Systems Analysis</b>				
Hospital charity care audits .....	328	328	324	324
Collection and analysis of hospital cost, financial, and utilization data				
By patient .....	4,100,000	4,100,000	4,200,000	4,200,000
By hospital .....	83	83	81	81
Hospital Performance Report - Distribution .....	24,000	20,000	15,000	15,000
Cardiac Surgery Report - Consumer .....	500	500	400	400
<b>PERSONNEL DATA</b>				
<b>Position Data</b>				
Filled Positions by Funding Source				
State Supported .....	82	87	125	131
Federal .....	97	100	99	100
All Other .....	120	101	45	47
Total Positions .....	299	288	269	278
Filled Positions by Program Class (a)				
Long Term Care Systems .....	143	148	209	211
Health Care Systems Analysis .....	156	140	60	67
Total Positions (b) .....	299	288	269	278

**Notes:**

- Actual payroll counts are reported for fiscal years 2005 and 2006 as of December and revised fiscal year 2007 as of January. The Budget Estimate for fiscal year 2008 reflects the number of positions funded.
- (a) Fiscal years 2007 and 2008 reflect (1) a transfer of positions and funding sources per P.L. 2005, c. 237 and (2) a Department of Health and Senior Services reorganization between Long Term Care Systems (Program Class 06) and Health Care Systems Analysis (Program Class 07).
- (b) Per Executive Reorganization Plan No. 005-2005, the total positions listed for fiscal year 2007 reflect the transfer of 21 Managed Care positions to the Department of Banking and Insurance.

# HEALTH AND SENIOR SERVICES

## APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2006					Year Ending June 30, 2008				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2007 Adjusted Approp.	Requested	Recommended	
<b>DIRECT STATE SERVICES</b>									
<b>Distribution by Fund and Program</b>									
3,749	2,413	-547	5,615	4,812	06	4,854	5,762	5,762	
1,125	5,939	-271	6,793	6,738	07	8,132	2,682	2,682	
<b>4,874</b>	<b>8,352</b>	<b>-818</b>	<b>12,408</b>	<b>11,550</b>		<b>12,986</b> (a)	<b>8,444</b>	<b>8,444</b>	
<b>Distribution by Fund and Object</b>									
Personal Services:									
2,787	5,939 <sup>R</sup>	1,595	10,321	10,265		5,118	6,026	6,026	
Salaries and Wages									
						5,118	6,026	6,026	
2,787	5,939	1,595	10,321	10,265	<b>Total Personal Services</b>				
60	---	---	60	15	Materials and Supplies				
						96	96	96	
179	---	---	179	176	Services Other Than Personal				
						506	506	506	
69	---	---	69	69	Maintenance and Fixed Charges				
						200	200	200	
Special Purpose:									
---	2,413 <sup>R</sup>	-2,413	---	---	06	---	---	---	
1,179	---	---	1,179	1,025	Long Term Care Systems				
Nursing Home Background Checks/Nursing Aide Certification Program									
						06	979	979	979
600	---	---	600	---	06	600	600	600	
Implement Patient Safety Act									
---	---	---	---	---	06	600	600	600	
Inspection of Health Care Facilities-Hospitals									
						07	5,450	---	---
---	---	---	---	---	Additions, Improvements and Equipment				
						37	37	37	
<b>GRANTS-IN-AID</b>									
<b>Distribution by Fund and Program</b>									
110,425	---	4,000	114,425	114,425	07	159,612	92,462	92,462	
<b>110,425</b>	<b>---</b>	<b>4,000</b>	<b>114,425</b>	<b>114,425</b>	<b>Total Grants-in-Aid</b>				
						<b>159,612</b>	<b>92,462</b>	<b>92,462</b>	
<b>Distribution by Fund and Object</b>									
Grants:									
44,725	---	4,000	48,725	48,725	Health Care Subsidy Fund Payments				
						07	115,962	92,462	92,462
65,200	---	---	65,200	65,200	Hospital Assistance Grants				
						07	35,200	---	---
						8,450 <sup>S</sup>	---	---	
500	---	---	500	500	Atlantic Health Care - Patient ID System				
						07	---	---	---
<b>115,299</b>	<b>8,352</b>	<b>3,182</b>	<b>126,833</b>	<b>125,975</b>	<b>Grand Total State Appropriation</b>				
						<b>172,598</b>	<b>100,906</b>	<b>100,906</b>	
<b>OTHER RELATED APPROPRIATIONS</b>									
<b>Federal Funds</b>									
16,826	5,705	---	22,531	7,639	06	16,872	18,702	18,702	
70,577	1,398	3,173	75,148	72,759	07	122,712	69,250	69,250	
<b>87,403</b>	<b>7,103</b>	<b>3,173</b>	<b>97,679</b>	<b>80,398</b>	<b>Total Federal Funds</b>				
						<b>139,584</b>	<b>87,952</b>	<b>87,952</b>	
<b>All Other Funds</b>									
---	387	---	672	---	Long Term Care Systems				
						06	117	654	654
---	285 <sup>R</sup>	---	---	---	Health Care Systems Analysis				
						07	47,537	47,200	47,200
---	7,355	-4,030	15,511	8,845	<b>Total All Other Funds</b>				
						<b>47,654</b>	<b>47,854</b>	<b>47,854</b>	
---	20,213 <sup>R</sup>	-4,030	16,183	8,845	<b>GRAND TOTAL ALL FUNDS</b>				
						<b>359,836</b>	<b>236,712</b>	<b>236,712</b>	
202,702	35,668	2,325	240,695	215,218					

### Notes -- Direct State Services - General Fund

(a) The fiscal year 2007 appropriation has been reduced to reflect the transfer of funds to the Interdepartmental Salary and Other Benefits Account.

## Language Recommendations -- Direct State Services - General Fund

Receipts from licenses, permits, fines, penalties and fees collected by the Department of Health and Senior Services in Health Planning and Evaluation, in excess of those anticipated, are appropriated subject to a plan approved by the Director of the Division of Budget and Accounting.

Available funds are appropriated to the "Health Care Facilities Improvement Fund" to provide available resources in an emergency situation at a health care facility, as defined by the Commissioner of Health and Senior Services, or for closure of a health care facility, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts derived from fees charged for processing Certificate of Need applications and the unexpended balances at the end of the preceding fiscal year of such receipts are appropriated for the cost of this program, subject to the approval of the Director of the Division of Budget and Accounting.

The unexpended balance at the end of the preceding fiscal year in the Implement Patient Safety Act account is appropriated.

## Language Recommendations -- Grants-In-Aid - General Fund

There are appropriated such sums as are necessary to pay prior-year obligations of programs within the Health Care Subsidy Fund, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, \$6,000,000 of the amount hereinabove for the Health Care Subsidy Fund Payments account is appropriated from the Admission Charge Hospital Assessment revenue item.

Notwithstanding the provisions of any law or regulation to the contrary, the amounts hereinabove appropriated for the Health Care Subsidy Fund Payments account shall be charged to the revenues derived from the \$0.35 increase in the cigarette tax rate imposed pursuant to P.L.2004, c.67.

In addition to the amounts hereinabove appropriated, \$1,000,000 is appropriated to the Health Care Subsidy Fund Payments account from the hospital and other health care initiatives account, established pursuant to section 12 of P.L.1992, c.160 (C.26:2H-18.62).

Of the amounts hereinabove appropriated for Health Care Subsidy Fund Payments, \$5,000,000 shall be appropriated to the NJ FamilyCare program in the Department of Human Services to provide health care for uninsured children.

Notwithstanding the provisions of any law or regulation to the contrary, Charity Care payments shall not exceed \$583,400,000.

Notwithstanding the provisions of any law or regulation to the contrary, all revenues collected from the tax on cosmetic medical procedures pursuant to P.L.2004, c.53 (C.54:32E-1) shall be deposited in the Health Care Subsidy Fund established pursuant to section 8 of P.L.1992, c.160 (C.26:2H-18.58).

An amount not to exceed \$2,000,000 is appropriated to the Department of Health and Senior Services from the Health Care Subsidy Fund Payments account to fund the Infant Mortality Reduction Program and an amount not to exceed \$2,000,000 is appropriated to the Department of Health and Senior Services from the Health Care Subsidy Fund Payments account to fund the Primary Care Physician and Dentist Loan Redemption Program.

## 20. PHYSICAL AND MENTAL HEALTH

### 25. HEALTH ADMINISTRATION

#### OBJECTIVES

1. To execute legislative mandates and to assure the health and well-being of the citizens in New Jersey through the development of responsive public health policy and the provision of appropriate public health programs.
2. To plan, develop, and maintain financial, human resource, information processing, and managerial support services which will ensure the delivery of effective and efficient public health programs.

#### PROGRAM CLASSIFICATIONS

99. **Administration and Support Services.** The Commissioner and staff (C.26:1A-13 et seq.) provide Department-wide support in policy and planning development, legal services, legislative services, public information, and program evaluation; the Office of Minority Health; and a full range of centralized support services to the operating divisions including:

Financial and General Services, which prepares Department budgets; ensures the meeting of financial requirements for all federal, State and private grants; maintains Department financial records in accordance with legal requirements and generally accepted accounting principles; supervises Department auditing, procurement and grant processes and provides technical financial guidance to the Department and its grantees. Warehousing, printing, facilities, and mail handling are also provided.

Management and Information Services, which develops and maintains electronic data processing services for the Department; ensures the collection, storage and retrieval of data in a uniform, centralized system; provides systems analysis, design and implementation.

Human Resource Services, which provides personnel management and development, labor relations and affirmative action services for the Department.

# HEALTH AND SENIOR SERVICES

## EVALUATION DATA

	Actual FY 2005	Actual FY 2006	Revised FY 2007	Budget Estimate FY 2008
<b>PERSONNEL DATA</b>				
Affirmative Action Data				
Male Minority .....	178	181	163	170
Male Minority % .....	8.1	8.1	7.8	7.9
Female Minority .....	597	608	571	595
Female Minority % .....	27.0	27.2	27.4	27.6
Total Minority .....	775	789	734	765
Total Minority % .....	35.1	35.2	35.2	35.4
<b>Position Data</b>				
Filled Positions by Funding Source				
State Supported .....	99	90	87	84
Federal .....	17	15	14	15
All Other .....	128	129	120	104
Total Positions .....	244	234	221	203
Filled Positions by Program Class				
Administration and Support Services .....	244	234	221	203
Total Positions .....	244	234	221	203

**Notes:**

Actual payroll counts are reported for fiscal years 2005 and 2006 as of December and revised fiscal year 2007 as of January. The Budget Estimate for fiscal year 2008 reflects the number of positions funded.

## APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2006					Year Ending June 30, 2008			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Total Expended	Prog. Class.	2007 Adjusted Approp.	Requested	Recommended
<b>DIRECT STATE SERVICES</b>								
<b>Distribution by Fund and Program</b>								
2,513	8	7,255	9,776	9,731	Administration and Support Services	99	3,498	3,498
<u>2,513</u>	<u>8</u>	<u>7,255</u>	<u>9,776</u>	<u>9,731</u>	<b>Total Direct State Services</b>		<u>3,498</u> (a)	<u>3,498</u>
<b>Distribution by Fund and Object</b>								
Personal Services:								
293	8 <sup>R</sup>	7,255	7,556	7,552	Salaries and Wages		1,377	1,377
<u>293</u>	<u>8</u>	<u>7,255</u>	<u>7,556</u>	<u>7,552</u>	<b>Total Personal Services</b>		<u>1,377</u>	<u>1,377</u>
49	---	---	49	48	Materials and Supplies		49	49
587	---	---	587	587	Services Other Than Personal		488	488
Special Purpose:								
1,500	---	---	1,500	1,460	Office of Minority and Multicultural Health	99	1,500	1,500
<u>84</u>	<u>---</u>	<u>---</u>	<u>84</u>	<u>84</u>	Affirmative Action and Equal Employment Opportunity	99	<u>84</u>	<u>84</u>
<u>2,513</u>	<u>8</u>	<u>7,255</u>	<u>9,776</u>	<u>9,731</u>	<b>Grand Total State Appropriation</b>		<u>3,498</u>	<u>3,498</u>
<b>OTHER RELATED APPROPRIATIONS</b>								
<b>Federal Funds</b>								
4,717					Administration and Support Services	99	4,208	3,186
<u>149</u> <sup>S</sup>	<u>1,073</u>	<u>-1,018</u>	<u>4,921</u>	<u>2,356</u>	<b>Total Federal Funds</b>		<u>4,208</u>	<u>3,186</u>
<u>4,866</u>	<u>1,073</u>	<u>-1,018</u>	<u>4,921</u>	<u>2,356</u>	<b>All Other Funds</b>			
	4,352				Administration and Support Services	99	1,300	1,400
<u>---</u>	<u>1,235</u> <sup>R</sup>	<u>5,132</u>	<u>10,719</u>	<u>7,078</u>	<b>Total All Other Funds</b>		<u>1,300</u>	<u>1,400</u>
<u>---</u>	<u>5,587</u>	<u>5,132</u>	<u>10,719</u>	<u>7,078</u>	<b>GRAND TOTAL ALL FUNDS</b>		<u>9,006</u>	<u>8,084</u>
<u>7,379</u>	<u>6,668</u>	<u>11,369</u>	<u>25,416</u>	<u>19,165</u>				<u>8,084</u>

**Notes -- Direct State Services - General Fund**

- (a) The fiscal year 2007 appropriation has been adjusted for the allocation of salary program as well as the reallocation of State appropriations supporting information technology services to the Office of Information Technology within the Department of Treasury.

**20. PHYSICAL AND MENTAL HEALTH**

**26. SENIOR SERVICES**

**OBJECTIVES**

1. To provide a variety of medical and health services to individuals in their own homes to avoid unnecessary institutional placement.
2. To provide prescription drugs, insulin, and insulin syringes for State residents qualifying for the Pharmaceutical Assistance to the Aged and Disabled (PAAD) and Senior Gold programs (C.30:4D-21 et seq.).
3. To promote and encourage advocacy for the aging population at the federal, State, county, and municipal levels in order to ensure that the elderly will not be deprived of their rights, privileges, entitlements, or benefits.
4. To promote, advocate, and insure, as a whole and in particular cases, the adequacy of the care received and the quality of life experienced by elderly patients, residents, and clients of institutional facilities within this State.
5. To assure through the County Offices on Aging that congregate and in-home nutrition services are provided on a daily basis to residents aged 60 years and older with emphasis on those in greatest need.
6. To continue to serve as an effective and visible advocate for the elderly through programs for the aging.
7. To provide assistance to elderly citizens who have been found by the court to need a guardian or conservator and to administer those services in order to provide a better quality of life for each individual represented.
8. To set nursing facility Medicaid reimbursement through the rate setting process.

Pharmaceutical Assistance to the Aged and Disabled. Home care services are also provided to persons previously ineligible because of income limits.

24. **Pharmaceutical Assistance to the Aged and Disabled (PAAD).** The Pharmaceutical Assistance to the Aged (PAA) program provides prescription drug benefits to persons over 65 years of age with an income of up to \$9,000, if single, or \$12,000, if married. Eligible individuals above these income limits and the disabled are funded from the Casino Revenue Fund through the Pharmaceutical Assistance to the Aged and Disabled program, which provides prescription drug benefits to persons over 65 years of age, or disabled as defined by the Federal Social Security Act, with an income of up to \$22,572, if single, or \$27,676, if married. The Senior Gold program provides prescription drug benefits to everyone over 65 years of age or receiving Social Security Disability benefits, whose annual income is \$10,000 above the applicable PAAD income eligibility limits for single and married persons, which amount is to be determined on the same basis as income is determined for the purpose for eligibility for PAAD.

55. **Programs for the Aged.** The Division of Senior Affairs (C.52:27D-28.1) supports programs which improve the quality of life for New Jersey's older citizens through technical assistance and grants to local entities. Funded programs include congregate and home delivered meals, informational assistance, outreach, personal care, legal services, transportation, telephone reassurance, housekeeping and chore services, and case management. These programs are financed with both state and federal funds. The 21 County Offices on Aging are also supported with state aid.

57. **Office of the Public Guardian.** The Public Guardian (C.52:27G-20 et seq.) provides guardianship services for elderly adults who have been deemed by the courts to be in need of a guardian or conservator. Services include legal assistance, individualized social service plans, investigations into family/social history, and financial management, dependent on the client's personal needs.

**PROGRAM CLASSIFICATIONS**

22. **Medical Services for the Aged.** Supports medically related services to eligible elderly and disabled individuals including community-based services to clients who would normally be eligible for Medicaid coverage only in an institution. Rebates for hearing aids purchased are provided to persons eligible for

**EVALUATION DATA**

	Actual FY 2005	Actual FY 2006	Revised FY 2007	Budget Estimate FY 2008
<b>PROGRAM DATA</b>				
<b>Medical Services for the Aged</b>				
Nursing Home Services:				
Per diem .....	\$155.06	\$161.25	\$163.97	\$161.58
Patient days .....	10,665,698	10,673,039	10,767,138	10,862,067
Gross annual cost (a) .....	\$1,653,825,228	\$1,721,070,613	\$1,765,469,202	\$1,755,100,000
Medical Day Care Services				
Per diem .....	\$78.60	\$83.43	\$83.26	\$85.62
Total days .....	1,681,341	1,959,578	2,040,504	2,122,124
Gross annual cost .....	\$132,146,633	\$163,496,809	\$169,900,000	\$181,702,000

# HEALTH AND SENIOR SERVICES

	Actual FY 2005	Actual FY 2006	Revised FY 2007	Budget Estimate FY 2008
<b>Community Care Programs:</b>				
Community Care Program for the Elderly and Disabled clients served . . . . .	5,200	5,200	5,200	5,200
Community Care Program for the Elderly and Disabled amount expended <sup>(b)</sup> . . . . .	\$ 57,780,159	\$ 58,505,986	\$ 57,666,434	\$ 57,716,000
Assisted Living/Alternative Family Care Clients served . . . . .	3,200	3,575	3,575	3,975 <sup>(c)</sup>
<b>Pharmaceutical Assistance to the Aged and Disabled</b>				
<b>Pharmaceutical Assistance to the Aged (PAA) Only:</b>				
Average monthly eligibles . . . . .	15,023	13,083	11,712	11,703
Average monthly prescriptions per eligible . . . . .	2.60	2.48	2.35	2.36
Annual prescriptions . . . . .	469,130	389,350	330,278	331,429
Cost per prescription (excludes co-payment) . . . . .	\$48.18	\$60.50	\$90.33	\$90.02
Gross Cost PAA Program . . . . .	\$22,604,189	\$23,556,032	\$29,835,000	\$29,835,000
Annual cost . . . . .	\$22,604,189	\$23,556,032	\$29,835,000	\$29,835,000
<b>Pharmaceutical Assistance to the Aged &amp; Disabled (PAAD) Only:</b>				
<b>Aged</b>				
Average monthly eligibles . . . . .	148,280	146,142	134,259	134,272
Average monthly prescriptions per eligible . . . . .	3.30	3.13	3.08	3.16
Annual prescriptions . . . . .	5,838,243	5,489,094	4,962,213	5,091,594
Cost per prescription (excludes co-payment) . . . . .	\$66.45	\$66.33	\$39.97	\$48.01
Gross cost PAAD program (Aged only) (d) . . . . .	\$387,922,270	\$364,090,219	\$198,330,752	\$244,437,000
Recoveries (e) . . . . .	(\$12,058,310)	(\$16,207,470)	(\$825,000)	(\$825,000)
PAAD manufacturers' rebates (e) . . . . .	(\$107,673,783)	(\$124,167,787)	(\$11,175,000)	(\$11,175,000)
Net annual cost . . . . .	\$268,190,176	\$223,714,962	\$186,330,752	\$232,437,000
<b>Disabled</b>				
Average monthly eligibles . . . . .	28,274	29,492	29,332	29,458
Average monthly prescriptions per eligible . . . . .	3.94	4.01	3.95	4.08
Annual prescriptions . . . . .	1,396,133	1,419,155	1,390,337	1,442,264
Cost per prescription (excludes co-payment) . . . . .	\$92.62	\$85.52	\$47.55	\$56.49
Gross cost PAAD program (Disabled only) (d) . . . . .	\$129,307,423	\$121,363,406	\$66,110,251	\$81,479,000
Recoveries (e) . . . . .	(\$4,019,437)	(\$5,402,490)	(\$275,000)	(\$275,000)
PAAD manufacturers' rebates (e) . . . . .	(\$35,891,261)	(\$41,389,262)	(\$3,725,000)	(\$3,725,000)
Net annual cost . . . . .	\$89,396,725	\$74,571,654	\$62,110,251	\$77,479,000
Total General Fund (f) . . . . .	\$71,186,073	\$43,642,551	\$16,259,003	\$84,158,000
Total Casino Revenue Fund . . . . .	\$309,005,018	\$278,200,097	\$262,017,000	\$255,593,000
<b>Senior Gold Prescription Assistance Program</b>				
<b>Aged</b>				
Average monthly eligibles . . . . .	28,591	29,194	29,596	30,114
Average monthly prescriptions per eligible . . . . .	2.09	2.14	2.01	2.06
Annual prescriptions . . . . .	734,710	749,702	713,856	744,416
Cost per prescription (excludes cost sharing) . . . . .	\$29.39	\$29.90	\$22.26	\$30.68
Gross cost Senior Gold program (Aged only) . . . . .	\$21,596,430	\$22,416,404	\$15,887,938	\$22,838,600
Senior Gold manufacturers' rebates . . . . .	(\$5,677,173)	(\$6,100,133)	(\$2,600,000)	(\$2,600,000)
Net annual cost . . . . .	\$15,919,257	\$14,521,481	\$13,287,938	\$20,238,600
<b>Disabled</b>				
Average monthly eligibles . . . . .	1,672	1,834	1,982	2,121
Average monthly prescriptions per eligible . . . . .	2.30	2.31	2.12	2.17
Annual prescriptions . . . . .	46,080	50,838	50,422	55,224
Cost per prescription (excludes cost sharing) . . . . .	\$42.70	\$35.30	\$32.57	\$45.30
Gross cost Senior Gold program (Disabled only) . . . . .	\$1,967,549	\$1,794,790	\$1,642,329	\$2,501,400
Net annual cost . . . . .	\$1,967,549	\$1,794,790	\$1,642,329	\$2,501,400
Total General Fund (g) . . . . .	\$17,886,805	\$16,316,270	\$14,930,267	\$22,740,000

# HEALTH AND SENIOR SERVICES

	Actual FY 2005	Actual FY 2006	Revised FY 2007	Budget Estimate FY 2008
<b>Programs for the Aged</b>				
Services and Service Units Provided:				
Congregate meals service .....	2,033,193	1,977,470	1,978,000	1,978,000
Home delivered meals service .....	3,721,850	3,922,393	2,923,000	2,923,000
Transportation service .....	890,825	937,695	938,000	938,000
Information and referral services .....	256,573	396,299	397,000	397,000
Telephone reassurance service .....	290,969	281,535	282,000	282,000
Outreach service .....	75,370	61,232	62,000	62,000
Personal care service .....	815,884	799,553	800,000	800,000
Legal service .....	23,114	26,852	27,000	27,000
Housekeeping and chore services .....	418,277	433,846	434,000	434,000
Education and training services .....	32,798	30,710	31,000	31,000
Case management service .....	192,030	224,654	225,000	225,000
Physical health services .....	89,103	73,572	74,000	74,000
Congregate Housing Services Program				
Persons served .....	2,747	2,793	3,200	3,400
Site locations .....	60	54	54	54
Adult Protective Services				
Persons served .....	4,787	4,770	4,800	4,800
Health Insurance Counseling				
Clients served .....	134,000	255,061	200,000	200,000
Security Housing and Transportation				
Clients served .....	6,527	6,817	6,600	6,900
Gerontology Services				
Geriatric patients served .....	3,514	3,465	3,500	3,500
Alzheimer's Day Care units provided .....	58,843	60,346	61,000	61,000
Persons trained in gerontology .....	4,803	4,171	4,800	4,800
Caregivers receiving Respite Care .....	2,500	2,400	2,300	2,300
<b>Office of the Public Guardian</b>				
Office of the Public Guardian				
Number of inquiries .....	609	625	625	650
Number of cases handled .....	2,022	2,273	2,533	2,813
Number of court-appointed cases .....	259	251	260	280

## PERSONNEL DATA

### Position Data

#### Filled Positions by Funding Source

State Supported (h) .....	297	293	312	319
Federal (h) .....	121	166	116	126
All Other .....	28	29	26	27
Total Positions .....	446	488	454	472

#### Filled Positions by Program Class

Medical Services for the Aged .....	194	200	182	193
Pharmaceutical Assistance to the Aged & Disabled .....	147	182	173	176
Lifeline .....	21	19	18	19
Programs for the Aged .....	49	49	46	49
Office of the Public Guardian .....	35	38	35	35
Total Positions .....	446	488	454	472

### Notes:

Actual payroll counts are reported for fiscal years 2005 and 2006 as of December and revised fiscal year 2007 as of January. The Budget Estimate for fiscal year 2008 reflects the number of positions funded.

The appropriation and evaluation data for the Lifeline Credits and Tenants Assistance Rebates programs have been adjusted for all fiscal years to reflect the transfer of these programs to the Board of Public Utilities (BPU), in accordance with a memorandum.

- (a) Includes expenses for Medicaid High Occupancy, federal Peer Grouping, and SOBRA funded in the General Fund.
- (b) Includes resources from the Casino Revenue Fund, grants-in-aid, the Health Care Subsidy Fund, and matching federal funds.
- (c) The 400 additional slots in fiscal year 2008 will be paid out of the Global Budget Long-Term Care Initiative account.
- (d) Includes the premium costs for Medicare Part D.
- (e) Rebates and recoveries earned by all portions of the PAA/PAAD programs; rebates are applied to the PAAD program only.

# HEALTH AND SENIOR SERVICES

(f) The reduction in the PAAD budget reflects full implementation of Medicare Part D. Since Medicare Part D is the primary prescription drug coverage for PAAD beneficiaries, State expenditures have been substantially reduced without negatively impacting beneficiaries.

(g) Excludes \$3,850,000 appropriated for administration.

(h) Fiscal years 2007 and 2008 reflect an increase in State funded positions and a decrease in federally funded positions due, in part, to the loss of federal funding from the Medicare Transitional Grant.

## APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2006					Year Ending June 30, 2008				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Total Expended	Prog. Class.	2007 Adjusted Approp.	Requested	Recommended	
<b>DIRECT STATE SERVICES</b>									
<b>Distribution by Fund and Program</b>									
5,793	5	3,608	9,406	9,172	22	6,192	5,097	5,097	
4,699	1,188	3,082	8,969	8,873					
1,333	43	327	1,703	1,667	24	6,949	9,215	9,215	
462	---	196	658	650	55	1,333	1,333	1,333	
871	43	131	1,045	1,017		462	462	462	
776	---	---	776	776		871	871	871	
					57	850	850	850	
<b>12,601</b>	<b>1,236</b>	<b>7,017</b>	<b>20,854</b>	<b>20,488</b>		<b>15,324</b>	<b>16,495</b>	<b>16,495</b>	
11,730	1,193	6,886	19,809	19,471		14,453 <sup>(a)</sup>	15,624	15,624	
871	43	131	1,045	1,017		871	871	871	
<b>Distribution by Fund and Object</b>									
Personal Services:									
4,848									
95 <sup>S</sup>	---	36	4,979	4,970		8,082	9,676	9,676	
796	---	---	796	796		658	658	658	
---	---	---	---	---		138	138	138	
<b>5,739</b>	<b>---</b>	<b>36</b>	<b>5,775</b>	<b>5,766</b>		<b>8,878</b>	<b>10,472</b>	<b>10,472</b>	
4,943	---	36	4,979	4,970		8,082	9,676	9,676	
796	---	---	796	796		796	796	796	
163	---	-26	137	97		163	163	163	
14	---	---	14	14		14	14	14	
1,145	---	327	1,472	1,472		1,904	2,904	2,904	
47	---	131	178	176					
						47	47	47	
437	---	-67	370	340		437	437	437	
2	---	---	2	---		2	2	2	
Special Purpose:									
737	---	---	737	737	22	737	550	550	
---	---	50	50	41	22	---	---	---	
---	---	3,700	3,700	3,498	22	---	---	---	
4,134	1,188	-1,175	4,147	4,147	24	2,959	1,723	1,723	
---	---	3,850	3,850	3,835	24	---	---	---	
---	---	191	191	191	55	---	---	---	
143	---	---	143	143	55	143	143	143	
28	5	---	33	---		28	28	28	
12	43	---	55	31		12	12	12	



# HEALTH AND SENIOR SERVICES

Year Ending June 30, 2006					Year Ending June 30, 2008				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2007 Adjusted Approp.	Requested	Recom- mended	
<b>GRANTS-IN-AID</b>									
<b>Distribution by Fund and Program</b>									
819,699	5,286	13,985	838,970	835,875	22	878,597	873,297	873,297	
789,168	5,286	13,985	808,439	806,408		847,968	844,168	844,168	
30,531	---	---	30,531	29,467		30,629	29,129	29,129	
409,493	171,707	-34,250	546,950	511,297					
124,725	6,100	-34,250	96,575	67,540	24	434,991	362,491	362,491	
284,768	165,607	---	450,375	443,757		172,974	106,898	106,898	
29,058	4	-327	28,735	28,731		262,017	255,593	255,593	
14,174	4	-196	13,982	13,978	55	28,615	28,992	28,992	
14,884	---	-131	14,753	14,753		13,938	14,315	14,315	
						14,677	14,677	14,677	
<b>1,258,250</b>	<b>176,997</b>	<b>-20,592</b>	<b>1,414,655</b>	<b>1,375,903</b>		<b>1,342,203</b>	<b>1,264,780</b>	<b>1,264,780</b>	
928,067	11,390	-20,461	918,996	887,926		1,034,880	965,381	965,381	
330,183	165,607	-131	495,659	487,977		307,323	299,399	299,399	
<b>Distribution by Fund and Object</b>									
Grants:									
23,540	---	1,500	25,040	24,891	22	23,540	27,540	27,540	
30,141	---	---	30,141	29,253					
15,000	---	-14,550	450	74	22	30,358	28,858	28,858	
648,000	5,286	22,735	676,021	675,556	22	15,000	15,000	15,000	
					22	672,700			
						17,000 <sup>S</sup>	681,900	681,900	
73,751	---	9,000	82,751	81,748	22	90,851	90,851	90,851	
9,000	---	---	9,000	9,000					
19,877	---	-4,700	15,177	15,139	22	9,000	9,000	9,000	
190	---	---	190	102	22	19,877	19,877	19,877	
200	---	---	200	112	22	71	71	71	
29,835	---	---	29,835	23,556	22	200	200	200	
70,868	---	-27,400	43,468	21,568	24	29,835	29,835	29,835	
284,768	165,607 <sup>R</sup>	---	450,375	443,757	24	117,899	54,323	54,323	
24,022	6,100 <sup>R</sup>	-6,850	23,272	22,416	24	262,017	255,593	255,593	
620	---	-5	615	615	24	25,240	22,740	22,740	
8,976	---	---	8,976	8,976	55	---	---	---	
2,500	---	-191	2,309	2,309	55	9,629	9,629	9,629	
402	---	---	402	402	55	2,500	2,500	2,500	
802	---	---	802	802	55	---	377	377	
2,724	---	-50	2,674	2,674	55	867	867	867	
874	---	---	874	874	55	2,724	2,724	2,724	
1,842	---	-81	1,761	1,761	55	942	942	942	
---	4	---	4	---	55	1,842	1,842	1,842	
					55	---	---	---	

## HEALTH AND SENIOR SERVICES

Year Ending June 30, 2006					Year Ending June 30, 2008				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Total Expended	Prog. Class.	2007 Adjusted Approp.	Requested	Recom- mended	
1,726	---	---	1,726	1,726					
5,566	---	---	5,566	5,566					
2,006	---	---	2,006	2,006					
1,020	---	---	1,020	1,020					
<b>GRANTS-IN-AID</b>									
<b>STATE AID</b>									
<b>Distribution by Fund and Program</b>									
7,152	---	---	7,152	7,151					
<u>7,152</u>	---	---	<u>7,152</u>	<u>7,151</u>		<u>7,152</u>	<u>7,152</u>	<u>7,152</u>	
<b>Distribution by Fund and Object</b>									
<u>1,278,003</u>	<u>178,233</u>	<u>-13,575</u>	<u>1,442,661</u>	<u>1,403,542</u>		<u>1,364,679</u>	<u>1,288,427</u>	<u>1,288,427</u>	
<b>OTHER RELATED APPROPRIATIONS</b>									
<b>Federal Funds</b>									
1,119,516	84	-12,725	1,106,875	1,050,356					
102,360									
1 S	3,706	---	106,067	12,207					
45,432									
180 S	2,919	458	48,989	41,789					
801	-1	---	800	762					
<u>1,268,290</u>	<u>6,708</u>	<u>-12,267</u>	<u>1,262,731</u>	<u>1,105,114</u>		<u>1,216,502</u>	<u>1,215,708</u>	<u>1,215,708</u>	
<b>All Other Funds</b>									
---	508	---	135,711	135,711					
---	135,203 R	---	135,711	135,711					
---	179	---	233	142					
---	54 R	---	233	142					
---	2	---	823	823					
---	821 R	---	823	823					
<u>---</u>	<u>136,767</u>	<u>---</u>	<u>136,767</u>	<u>136,676</u>		<u>136,398</u>	<u>136,975</u>	<u>136,975</u>	
<u>2,546,293</u>	<u>321,708</u>	<u>-25,842</u>	<u>2,842,159</u>	<u>2,645,332</u>		<u>2,717,579</u>	<u>2,641,110</u>	<u>2,641,110</u>	

### Notes -- Direct State Services - General Fund

(a) The fiscal year 2007 appropriation has been reduced to reflect the transfer of funds to the Interdepartmental Salary and Other Benefits Account as well as the reallocation of State appropriations supporting information technology services to the Office of Information Technology within the Department of Treasury.

### Notes -- Grants-In-Aid - General Fund

(b) The fiscal year 2007 adjusted appropriation and the fiscal year 2008 recommended and requested amounts reflect a \$24,000,000 offset for the Enhanced Peer Grouping initiative.

(c) Amounts represent partial costs of the Pharmaceutical Assistance to the Aged and Disabled program. The remainder is funded by the Casino Revenue Fund.

### Language Recommendations -- Direct State Services - General Fund

When any action by a county welfare agency, whether alone or in combination with the Division of Medical Assistance and Health Services in the Department of Human Services or the Department of Health and Senior Services, results in a recovery of improperly granted medical assistance, the Division of Medical Assistance and Health Services or the Department of Health and Senior Services may reimburse the county welfare agency in the amount of 25% of the gross recovery.

Notwithstanding the provisions of any law or regulation to the contrary, any third party, as defined in subsection m. of section 3 of P.L.1968, c.413 (C.30:4D-3), writing health, casualty, or malpractice insurance policies in the state or covering residents of this state, shall enter into an agreement with the Department of Health and Senior Services to permit and assist the matching of the Department of Health and Senior Services' program eligibility and/or adjudication claims files against that third party's eligibility and/or adjudicated claims files for the purpose of the coordination of benefits, utilizing, if necessary, social security numbers as common identifiers.

The unexpended balance at the end of the preceding fiscal year in the Payments to Fiscal Agent - PAA account are appropriated.

Such sums as may be necessary, not to exceed \$1,730,000, may be credited from the Energy Assistance program account in the Board of Public Utilities to the Lifeline program account and shall be applied in accordance with a Memorandum of Understanding between the President of the Board of Public Utilities and the Commissioner of Health and Senior Services, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts from the Office of the Public Guardian for Elderly Adults are appropriated.

### **Language Recommendations -- Grants-In-Aid - General Fund**

The amounts hereinabove appropriated for Payments for Medical Assistance Recipients-Nursing Homes are available for the payment of obligations applicable to prior fiscal years.

In order to permit flexibility in the handling of appropriations and ensure the timely payment of claims to providers of medical services, amounts may be transferred to and from the various items of appropriation within the General Medical Services program classification in the Division of Medical Assistance and Health Services in the Department of Human Services and the Medical Services for the Aged program classification in the Department of Health and Senior Services, subject to the approval of the Director of the Division of Budget and Accounting. Notice thereof shall be provided to the Legislative Budget and Finance Officer on the effective date of the approved transfer.

All funds recovered pursuant to P.L.1968, c.413 (C.30:4D-1 et seq.) and P.L.1975, c.194 (C.30:4D-20 et seq.) during the fiscal year ending June 30, 2008 are appropriated for payments to providers in the same program class from which the recovery originated.

The Division of Medical Assistance and Health Services in the Department of Human Services and the Department of Health and Senior Services, subject to federal approval, shall implement policies that would limit the ability of persons who have the financial ability to provide for their own long-term care needs to manipulate current Medicaid rules to avoid payment for that care. The Division of Medical Assistance and Health Services and the Department of Health and Senior Services shall require, in the case of a married individual requiring long-term care services, that the portion of the couple's resources which are not protected for the needs of the community spouse be used solely for the purchase of long-term care services.

Notwithstanding the provisions of any law or regulation to the contrary, a sufficient portion of receipts generated or savings realized in the Medical Services for the Aged or Pharmaceutical Assistance to the Aged and Disabled grants-in-aid accounts from initiatives included in the current fiscal year appropriations act may be transferred to administration accounts to fund costs incurred in realizing these additional receipts or savings, subject to the approval of the Director of the Division of Budget and Accounting.

Such sums as may be necessary are appropriated from enhanced audit recoveries obtained by the Department of Health and Senior Services to fund the costs of enhanced audit recovery efforts of the department within the Medical Services for the Aged program classification, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding any law or regulation to the contrary, no payments from the Payments for Medical Assistance Recipients - Nursing Homes account shall be made for bedhold days; however, nursing homes shall hold a bed for a Medicaid beneficiary who is hospitalized for up to ten days.

The funds hereinabove appropriated for Payments for Medical Assistance Recipients-Medicaid High Occupancy-Nursing Homes shall be distributed for patient services among those nursing homes where the Medicaid patient day occupancy level is at or above 75%. Each such facility shall receive its distribution through a prospective per diem adjustment using actual days reported on the most recent cost report.

The amounts hereinabove appropriated for payments for the Pharmaceutical Assistance to the Aged and Disabled program, P.L.1975, c.194 (C.30:4D-20 et seq.), and the Senior Gold Prescription Discount Program, P.L.2001, c.96 (C.30:4D-43 et seq.), are available for the payment of obligations applicable to prior fiscal years.

Benefits provided under the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program, P.L.1975, c.194 (C.30:4D-20 et seq.), and the Senior Gold Prescription Discount Program, P.L.2001, c.96 (C.30:4D-43 et seq.), shall be the last resource benefits, notwithstanding any provisions contained in contracts, wills, agreements, or other instruments. Any provision in a contract of insurance, will, trust agreement, or other instrument which reduces or excludes coverage or payment to an individual because of that individual's eligibility for, or receipt of, PAAD or Senior Gold Prescription Discount Program benefits shall be void, and no PAAD and Senior Gold Prescription Discount Program payments shall be made as a result of any such provision.

Of the amount hereinabove appropriated in the Pharmaceutical Assistance to the Aged and Disabled-Claims program, notwithstanding the provisions of section 3 of P.L.1975, c.194 (C.30:4D-22) to the contrary, the co-payment in the Pharmaceutical Assistance to the Aged and Disabled program shall be \$5.00.

Notwithstanding the provisions of any law or regulation to the contrary, effective July 1, 2003, no State funds are appropriated for a Drug Utilization Review Council in the Department of Health and Senior Services and therefore the functions of the Council shall cease.

Notwithstanding the provisions of any law or regulation to the contrary, no funds appropriated for the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program, pursuant to P.L.1975, c.194 (C.30:4D-20 et seq.), and the Senior Gold Prescription Discount Program, pursuant to P.L.2001, c.96 (C.30:4D-43 et seq.), shall be expended, when PAAD or Senior Gold is the primary payer, unless participating pharmaceutical manufacturing companies execute contracts with the Department of Health and Senior Services, through the Department of Human Services, providing for the payment of rebates to the State. Furthermore, rebates from pharmaceutical

## HEALTH AND SENIOR SERVICES

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manufacturing companies for prescriptions purchased by the PAAD program and the Senior Gold Prescription Discount Program shall continue during the current fiscal year, provided that the manufacturer's rebates for the Senior Gold Prescription Discount Program shall apply only to the amount paid by the State under the Senior Gold Prescription Discount Program. All revenues from such rebates during the current fiscal year are appropriated for the PAAD program and the Senior Gold Prescription Discount Program.

Notwithstanding the provisions of any other law or regulation to the contrary, no funds appropriated in the Pharmaceutical Assistance to the Aged and Disabled program classification and the Senior Gold Prescription Discount Program account shall be expended for prescription claims with no Medicare Part D coverage except under the following conditions: (a) reimbursement for the cost of legend and non-legend drugs shall be in accordance with the federal Deficit Reduction Act of 2005; (b) the current prescription drug dispensing fee structure set as a variable rate of \$3.73 to \$4.07 shall remain in effect through the current fiscal year, including the current increments for patient consultation, impact allowances, and allowances for 24-hour emergency services; and (c) multisource generic and single source brand name drugs shall be dispensed without prior authorization but multisource brand name drugs shall require prior authorization issued by the Department of Health and Senior Services or its authorizing agent, however, a 10-day supply of the multisource brand name drug shall be dispensed pending receipt of prior authorization. Certain multisource brand name drugs with a narrow therapeutic index, other drugs recommended by the Drug Utilization Review Board, or brand name drugs with a lower cost per unit than the generic may be excluded from prior authorization by the Department of Health and Senior Services.

In addition to the amount hereinabove, there are appropriated from the General Fund and available federal matching funds such additional sums as may be required for the payment of claims, credits, and rebates, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, no funds appropriated for the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program and the Senior Gold Prescription Discount Program are available to pharmacies that have not submitted an application to enroll as an approved medical supplier in the Medicare program, unless they already are an approved Medicare medical supplier. Pharmacies shall not be required to bill Medicare directly for Medicare Part B drugs and supplies, but must agree to allow PAAD to bill Medicare on their behalf by completing and submitting an electronic data interchange (EDI) form to PAAD. Beneficiaries are responsible for the applicable PAAD or Senior Gold Prescription Discount Program co-payment.

Notwithstanding the provisions of any law or regulation to the contrary, no funds appropriated for the Pharmaceutical Assistance to the Aged and Disabled program and the Senior Gold Prescription Discount Program shall be used to pay for quantities of erectile dysfunction therapy medication in excess of four treatments per month. Moreover, payment will only be provided if the diagnosis of erectile dysfunction is written on the prescription form and the treatment is provided to males over the age of 18 years. Furthermore, no payments for erectile dysfunction therapy will be made on behalf of sex offenders.

Notwithstanding the provisions of any law or regulation to the contrary, the Pharmaceutical Assistance to the Aged and Disabled program in the Department of Health and Senior Services shall have the authority to coordinate benefits with any voluntary prescription drug mail-order program in a Medicare Part D plan provider network. The mail-order program may waive, discount, or rebate the beneficiary co-pay and mail-order pharmacy providers may dispense up to a 90-day supply on prescription refills with the voluntary participation of the beneficiary, subject to the approval of the Commissioner of Health and Senior Services and the Director of the Division of Budget and Accounting.

At any point during the year, and notwithstanding the provisions of any law or regulation to the contrary, subject to the approval of a plan by the Commissioner of Health and Senior Services, no funds appropriated for the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program, pursuant to P.L. 1975, c.194 (C.30:4D-20 et seq.), or the Senior Gold Prescription Discount program, pursuant to P.L. 2001, c.96 (C.30:4D-43 et seq.), shall be expended, when PAAD or Senior Gold is the primary payer, unless participating pharmaceutical manufacturing companies execute contracts with the Department of Health and Senior Services, through the Department of Human Services, providing for the payment of rebates to the State on the same basis as provided for in section 1277 (a) through (c) of the federal Social Security Act, 42 U.S.C.s.1396r-8(a)-(c).

From the amount hereinabove appropriated for the Senior Gold Prescription Discount Program, an amount not to exceed \$3,850,000 may be transferred to various accounts as required, including direct state services accounts, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, and subject to the notice provisions of 42 CFR 447.205, for rates implemented on or after July 1, 2000, target occupancy as determined pursuant to N.J.A.C.8:85-3.16 shall not apply to those facilities receiving enhanced rates of reimbursement pursuant to N.J.A.C.8:85-2.21. The per diem amounts for all other expenses of the enhanced rates shall be based upon reasonable base period costs divided by actual base period patient days, but no less than 85% of licensed bed days shall be used.

In order to permit flexibility in the handling of appropriations and ensure the timely payment of claims to providers of medical services, amounts may be transferred between the various items of appropriation within the Medical Services for the Aged and Programs for the Aged program classifications to ensure the continuity of long-term care support services for beneficiaries receiving services within the Medical Services for the Aged program classification in the Department of Health and Senior Services, subject to the approval of the Director of the Division of Budget and Accounting. Notice thereof shall be provided to the Legislative Budget and Finance Officer on the effective date of the approved transfer.

Notwithstanding the provisions of any law or regulation to the contrary, effective January 1, 2005, no payment for Medicaid Adult or Pediatric Medical Day Care services, as hereinabove appropriated in the Medical Day Care Services account, shall be provided unless the services are prior authorized by professional staff designated by the Department of Health and Senior Services.

From the amount hereinabove appropriated for Payments for Medical Assistance Recipients - Nursing Homes, the Commissioner of Health and Senior Services shall increase the reasonableness limit for total nursing care up to 120% of the median costs in the Medicaid nursing home rate-setting system during the current fiscal year.

Such sums as may be necessary, not to exceed \$70,840,000, for payments for the Lifeline Credit and Tenants' Lifeline Assistance programs, may be credited from the Energy Assistance program account in the Board of Public Utilities to the Lifeline program account and shall be applied in accordance with a Memorandum of Understanding between the President of the Board of Public Utilities and the Commissioner of Health and Senior Services, subject to the approval of the Director of the Division of Budgeting and Accounting.

Such sums as may be necessary are appropriated from the General Fund for the payment of increased nursing home rates to reflect the costs incurred due to the payment of a nursing home provider assessment, pursuant to the "Nursing Home Quality of Care Improvement Fund Act," P.L.2003, c.105 (C.26:2H-92 et seq.) and P.L.2004, c.41, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, the appropriation hereinabove for Medical Day Care Services is conditioned upon rate increases for the nursing home provider assessment not being included in the calculation of the Adult/Pediatric Day Care payment rates.

Notwithstanding the provisions of any law or regulation to the contrary, the appropriations hereinabove to the Pharmaceutical Assistance to the Aged and Pharmaceutical Assistance to the Aged and Disabled (PAAD) programs is conditioned upon the Department of Health and Senior Services coordinating the benefits of the PAAD programs with the prescription drug benefits of the federal Medicare Prescription Drug, Improvement, and Modernization Act of 2003 as the primary payer due to the current federal prohibition against State automatic enrollment of PAAD recipients in the new federal program. The PAAD benefit and reimbursement shall only be available to cover the beneficiary cost share to in-network pharmacies and for deductible and coverage gap costs (as determined by the Commissioner of Health and Senior Services) associated with enrollment in Medicare Part D for beneficiaries of the PAAD and Senior Gold programs, and for Medicare Part D premium costs for PAAD beneficiaries.

Notwithstanding the provisions of any law or regulation to the contrary, effective January 1, 2006, no funds appropriated in the Pharmaceutical Assistance to the Aged or Pharmaceutical Assistance to the Aged and Disabled (PAAD) and Senior Gold program accounts shall be available as payment as a PAAD or Senior Gold benefit to any pharmacy that is not enrolled as a participating pharmacy in a pharmacy network under Medicare Part D.

Consistent with the requirements of the federal Medicare Prescription Drug, Improvement, and Modernization Act of 2003 and the current federal prohibition against State automatic enrollment of Pharmaceutical Assistance to the Aged and Pharmaceutical Assistance to the Aged and Disabled (PAAD) recipients, no funds hereinabove appropriated from the PAAD accounts shall be expended for any individual unless the individual enrolled in a PAAD program provides all data that may be necessary to enroll the individual in Medicare Part D, including data required for the subsidy assistance, as outlined by the Centers for Medicare and Medicaid Services.

Notwithstanding the provisions of any law or regulation to the contrary, the appropriations hereinabove for the Pharmaceutical Assistance to the Aged, Pharmaceutical Assistance to the Aged and Disabled, and Senior Gold programs shall be conditioned upon the following provision: no funds shall be appropriated for the refilling of a prescription drug until such time as the original prescription is 85% finished.

Notwithstanding the provisions of any law or regulation to the contrary, in order to maximize prescription drug coverage under Medicare Part D, the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program shall be designated the authorized representative for the purposes of coordinating benefits with Medicare Part D, including enrollment and appeals of coverage determinations. PAAD is authorized to represent program beneficiaries in the pursuit of such coverage. PAAD representation shall not result in any additional financial liability on behalf of such program beneficiaries and shall include, but need not be limited to, the following actions: application for the premium and cost-sharing subsidies on behalf of eligible program beneficiaries; pursuit of appeals, grievances, or coverage determinations; facilitated enrollment in a prescription drug plan or MA-PD plan. If the beneficiary declines enrollment in any Medicare Part D plan, the beneficiary shall be barred from all benefits of the PAAD program.

Notwithstanding the provisions of any law or regulation to the contrary, the appropriation hereinabove for the ElderCare Initiatives program shall be conditioned upon the following provision: State funded home and community care (Jersey Assistance for Community Caregiving (JACC)) benefits paid incorrectly on behalf of JACC beneficiaries may be recovered from individuals found ineligible.

The monies hereinabove appropriated for "global budget" shall only be expended if federal approvals are received for such a program and only if federal Medicaid reimbursement or other federal matching funds are available to support the State appropriation.

Notwithstanding the provisions of any law or regulation to the contrary, as appropriated hereinabove in the Payments for Medical Assistance Recipients - Nursing Homes account, reimbursement shall be 50% of the amount such nursing homes would otherwise be entitled to pursuant to N.J.A.C. 8:85-3.19.

The amounts hereinabove appropriated for Nursing Home, Assisted Living, Community Care Alternatives, Medical Day Care Services, Global Budget Long-Term Care Initiative, and Medicaid High Occupancy are conditioned upon the Commissioner of Health and Senior Services making changes to such programs to make them consistent with the federal Deficit Reduction Act of 2005.

Notwithstanding the provisions of any law or regulation to the contrary, in order to maximize drug coverage under Medicare Part D, the appropriation for the Senior Gold Prescription Discount Program is conditioned on the Senior Gold Prescription Discount Program being designated the authorized representative for the purpose of coordinating benefits with the Medicare drug program, including appeals of coverage determinations. Senior Gold is authorized to represent program beneficiaries in the pursuit of such coverage. Senior Gold representation shall include, but not be limited to the following actions: pursuit of appeals, grievances, or coverage determinations.

Notwithstanding the provisions of any law or regulation to the contrary, all financial recoveries obtained through the efforts of any entity authorized to undertake the prevention and detection of Medicaid fraud, waste, and abuse, are appropriated to Medical Services for the Aged in the Department of Health and Senior Services.

## HEALTH AND SENIOR SERVICES

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Notwithstanding any law or regulation to the contrary, resources in the Global Budget Long-Term Care Initiative account may be supplemented with transfers from the Medical Services for the Aged program accounts, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any other law or regulation to the contrary, effective state fiscal year 2008, the appropriation hereinabove for Medical Day Care Services shall be subject to the following condition: all Department of Health and Senior Services beneficiaries will be required to provide a \$3.00 copayment for each Medical Day Care services visit.

### **Language Recommendations -- Grants-In-Aid - Casino Revenue Fund**

In addition to the amount hereinabove, there are appropriated from the Casino Revenue Fund and available federal matching funds such additional sums as may be required for the payment of claims, credits, and rebates, subject to the approval of the Director of the Division of Budget and Accounting.

All funds recovered under P.L.1968, c.413 (C.30:4D-1 et seq.) and P.L.1975, c.194 (C.30:4D-20 et seq.), during the current fiscal year are appropriated for payments to providers in the same program class from which the recovery originated.

In order to permit flexibility in the handling of appropriations and ensure the timely payment of claims to providers of medical services, amounts may be transferred to and from the various items of appropriation within the Medical Services for the Aged program classification, subject to the approval of the Director of the Division of Budget and Accounting. Notice thereof shall be provided to the Legislative Budget and Finance Officer on the effective date of the approved transfer.

For the purposes of account balance maintenance, all object accounts in the Medical Services for the Aged program classification shall be considered as one object. This will allow timely payment of claims to providers of medical services, but ensure that no overspending will occur in the program classification.

Notwithstanding the provisions of P.L.1988, c.92 (C.30:4E-5 et seq.) to the contrary, funds appropriated for the Home Care Expansion Program (HCEP) shall be paid only for individuals enrolled in the program as of June 30, 1996 who are not eligible for the Community Care Program for the Elderly and Disabled or alternative programs, and only for so long as those individuals require services covered by the HCEP. Individuals enrolled in the HCEP as of June 30, 1996 and eligible for the Community Care Program for the Elderly and Disabled may apply to be enrolled in that program.

Notwithstanding the provisions of any law or regulation to the contrary, a sufficient portion of receipts generated or savings realized in the Medical Services for the Aged or Pharmaceutical Assistance to the Aged and Disabled grants-in-aid accounts from initiatives included in the current fiscal year's annual appropriations act may be transferred to administration accounts to fund costs incurred in realizing these additional receipts or savings, subject to the approval of the Director of the Division of Budget and Accounting.

The amounts hereinabove appropriated for payments for the Pharmaceutical Assistance to the Aged and Disabled program, P.L.1975, c.194 (C.30:4D-20 et seq.), are available for the payment of obligations applicable to prior fiscal years.

Benefits provided under the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program, P.L.1975, c.194 (C.30:4D-20 et seq.), shall be the last resource benefits, notwithstanding any provision contained in contracts, wills, agreements, or other instruments. Any provision in a contract of insurance, will, trust agreement, or other instrument which reduces or excludes coverage or payment to an individual because of that individual's eligibility for or receipt of PAAD benefits shall be void, and no PAAD payments shall be made as a result of any such provision.

Of the amount hereinabove appropriated in the Pharmaceutical Assistance to the Aged and Disabled-Claims program, notwithstanding the provisions of section 3 of P.L.1975, c.194 (C.30:4D-22) to the contrary, the co-payment in the Pharmaceutical Assistance to the Aged and Disabled program shall be \$5.00.

Notwithstanding the provisions of any law or regulation to the contrary, effective July 1, 2003, no State funds are appropriated for a Drug Utilization Review Council in the Department of Health and Senior Services, and therefore, the functions of the Council shall cease.

Notwithstanding the provisions of any law or regulation to the contrary, no funds appropriated for the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program, pursuant to P.L.1975, c.194 (C.30:4D-20 et seq.), shall be expended, when PAAD is the primary payer, unless participating pharmaceutical manufacturing companies execute contracts with the Department of Health and Senior Services, through the Department of Human Services, providing for the payment of rebates to the State. Furthermore, rebates from pharmaceutical manufacturing companies for prescriptions purchased by the PAAD program and the Senior Gold Prescription Discount Program shall continue during the current fiscal year, provided that the manufacturers' rebates for the Senior Gold Prescription Discount Program shall apply only to the amount paid by the State under the Senior Gold Prescription Discount Program. All revenues from such rebates during the current fiscal year are appropriated for the PAAD program and the Senior Gold Prescription Discount Program.

Notwithstanding the provisions of any law or regulation to the contrary, no funds appropriated for the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program are available to pharmacies that have not submitted an application to enroll as an approved medical supplier in the Medicare program, unless they already are an approved Medicare medical supplier. Pharmacies shall not be required to bill Medicare directly for Medicare Part B drugs and supplies, but must agree to allow PAAD to bill Medicare on their behalf by completing and submitting an electronic data interchange (EDI) form to PAAD. Beneficiaries are responsible for the applicable PAAD co-payment.

Notwithstanding the provisions of any law or regulation to the contrary, no funds appropriated for the Pharmaceutical Assistance to the Aged and the Disabled program shall be used to pay for quantities of erectile dysfunction therapy medication in excess of four treatments per month. Moreover, payment shall only be provided if the diagnosis of erectile dysfunction is written on the prescription form and the treatment is provided to males over the age of 18 years. Furthermore, no payments for erectile dysfunction therapy will be made on behalf of sex offenders.

Notwithstanding the provisions of any other law or regulation to the contrary, no funds appropriated in the Pharmaceutical Assistance to the Aged and Disabled program classification and the Senior Gold Prescription Discount Program account shall be expended for prescription claims with no Medicare Part D coverage except under the following conditions: (a) reimbursement for the cost of legend and non-legend drugs shall be in accordance with the federal Deficit Reduction Act of 2005; (b) the current prescription drug dispensing fee structure set as a variable rate of \$3.73 to \$4.07 shall remain in effect through the current fiscal year, including the current increments for patient consultation, impact allowances, and allowances for 24-hour emergency services; and (c) multisource generic and single source brand name drugs shall be dispensed without prior authorization but multisource brand name drugs shall require prior authorization issued by the Department of Health and Senior Services or its authorizing agent, however, a 10-day supply of the multisource brand name drug shall be dispensed pending receipt of prior authorization. Certain multisource brand name drugs with a narrow therapeutic index, other drugs recommended by the Drug Utilization Review Board, or brand name drugs with a lower cost per unit than the generic may be excluded from prior authorization by the Department of Health and Senior Services.

Notwithstanding the provisions of any law or regulation to the contrary, the Pharmaceutical Assistance to the Aged and Disabled program in the Department of Health and Senior Services shall have the authority to coordinate benefits with any voluntary prescription drug mail-order program in the network of a Medicare Part D plan. The mail-order program may waive, discount, or rebate the beneficiary co-pay and mail-order pharmacy providers may dispense up to a 90-day supply on prescription refills with the voluntary participation of the beneficiary, subject to the approval of the Commissioner of Health and Senior Services and the Director of the Division of Budget and Accounting.

At any point during the year, and notwithstanding the provisions of any law or regulation to the contrary, subject to the approval of a plan by the Commissioner of Health and Senior Services, no funds appropriated for the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program, pursuant to P.L.1975, c.194 (C.30:4D-20 et seq.), or the Senior Gold Prescription Discount Program, pursuant to P.L.2001, c.96 (C.30:4D-43 et seq.), shall be expended, when PAAD or Senior Gold is the primary payer, unless participating pharmaceutical manufacturing companies execute contracts with the Department of Health and Senior Services, through the Department of Human Services, providing for the payment of rebates to the State on the same basis as provided for in section 1927 (a) through (c) of the federal Social Security Act, 42 U.S.C. s.1396r-8(a)-(c).

Notwithstanding the provisions of section 2 of P.L.1988, c.114 (C.26:2M-10) to the contrary, private for-profit agencies shall be eligible grantees for funding from the Demonstration Adult Day Care Center Program-Alzheimer's Disease account.

Notwithstanding the provisions of any law or regulation to the contrary, of the amount hereinabove appropriated for the Respite Care for the Elderly (CRF) account, \$600,000 shall be charged to the Casino Simulcasting Fund.

Notwithstanding the provisions of any law or regulation to the contrary, the appropriations hereinabove to the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program is conditioned upon the Department of Health and Senior Services coordinating the benefits of the PAAD program with the prescription drug benefits of the federal Medicare Prescription Drug, Improvement, and Modernization Act of 2003 as the primary payer due to the current federal prohibition against State automatic enrollment of PAAD recipients in the new federal program. The PAAD benefit and reimbursement shall only be available to cover the beneficiary cost share to in-network pharmacies and for deductible and coverage gap costs (as determined by the Commissioner of Health and Senior Services) associated with enrollment in Medicare Part D for beneficiaries of the PAAD and Senior Gold programs, and for Medicare Part D premium costs for PAAD beneficiaries.

Notwithstanding the provisions of any law or regulation to the contrary, effective January 1, 2006, no funds appropriated in the Pharmaceutical Assistance to the Aged and Disabled (PAAD) and Senior Gold program accounts, shall be available as payment as a PAAD or Senior Gold benefit to any pharmacy that is not enrolled as a participating pharmacy in a pharmacy network under Medicare Part D.

Consistent with the requirements of the federal Medicare Prescription Drug, Improvement, and Modernization Act of 2003 and the current federal prohibition against State automatic enrollment of Pharmaceutical Assistance to the Aged and Disabled (PAAD) recipients, no funds hereinabove appropriated from the PAAD account shall be expended for any individual enrolled in the PAAD program unless the individual provides all data that may be necessary to enroll the individual in Medicare Part D, including data required for the subsidy assistance, as outlined by the Centers for Medicare and Medicaid Services.

Notwithstanding the provisions of any law or regulation to the contrary, in order to maximize prescription drug coverage under Medicare Part D, the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program shall be designated the authorized representative for the purposes of coordinating benefits with Medicare Part D, including enrollment and appeals of coverage determinations. PAAD is authorized to represent program beneficiaries in the pursuit of such coverage. PAAD representation shall not result in any additional financial liability on behalf of such program beneficiaries and shall include, but need not be limited to, the following actions: application for the premium and cost-sharing subsidies on behalf of eligible program beneficiaries; pursuit of appeals, grievances, or coverage determinations; facilitated enrollment in a prescription drug plan or MA-PD plan. If the beneficiary declines enrollment in any Medicare Part D plan, the beneficiary shall be barred from all benefits of the PAAD Program.

Notwithstanding the provisions of any law or regulation to the contrary, the appropriations hereinabove for the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program and the Senior Gold Prescription Discount Program shall be conditioned upon the following provision: no funds shall be appropriated for the refilling of a prescription drug until such time as the original prescription is 85% finished.

The amounts hereinabove appropriated for the Community Care Alternatives program are conditioned upon the Commissioner of Health and Senior Services making changes to such program to make it consistent with the federal Deficit Reduction Act of 2005.

# HEALTH AND SENIOR SERVICES

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## DEPARTMENT OF HEALTH AND SENIOR SERVICES

### Language Recommendations -- Direct State Services - General Fund

Consistent with the provisions of P.L.2005, c.237, the \$40,000,000 from this surcharge is appropriated to fund federally qualified health centers. Any unexpended balance at the end of the preceding fiscal year in the Health Care Subsidy Fund received through the hospital and other health care initiatives account during fiscal year 2007 is appropriated.

Such sums as may be necessary are appropriated or transferred from existing appropriations within the Department of Health and Senior Services for the purpose of promoting awareness to increase participation in programs that are administered by the Department, subject to the approval of the Director of the Division of Budget and Accounting.

Receipts from licenses, permits, fines, penalties, and fees collected by the Department of Health and Senior Services, in excess of those anticipated, are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of section 7 of P.L.1992, c.160 (C.26:2H-18.57) or any law or regulation to the contrary, the first \$1,200,000 in per adjusted admission charge assessment revenues, attributable to \$10.00 per adjusted admission charge assessments made by the Department of Health and Senior Services, shall be anticipated as revenue in the General Fund available for health-related purposes. Furthermore, it is recommended that the remaining revenue attributable to this fee shall be available to carry out the provisions of section 7 of P.L. 1992, c.160 (C.26:2H-18.57), as determined by the Commissioner of Health and Senior Services, and subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, the State Treasurer shall transfer to the Health Care Subsidy Fund, established pursuant to section 8 of P.L. 1992, c.160 (C.26:2H-18.58), only those additional revenues generated from third party liability recoveries, excluding Medicaid, by the State arising from a review by the Director of the Division of Budget and Accounting of hospital payments reimbursed from the Health Care Subsidy Fund with service dates that are after the date of enactment of P.L.1996, c.29.

Notwithstanding the provisions of any law or regulation to the contrary, the Commissioner of Health and Senior Services shall devise, at the commissioner's discretion, rules or guidelines that allocate reductions in health service grants to the extent possible toward administration and not client services.

Any change in program eligibility criteria and increases in the types of services or rates paid for services to, or on behalf of, clients for all programs under the purview of the Department of Health and Senior Services, not mandated by federal law, shall first be approved by the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, fees, fines, penalties, and assessments owed to the Department of Health and Senior Services shall be offset against payments due and owing from other appropriated funds.

In addition to the amount hereinabove, receipts from the federal Medicaid (Title XIX) program for health services-related programs throughout the Department of Health and Senior Services are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

### Language Recommendations -- Grants-In-Aid - General Fund

In order to permit flexibility in implementing the ElderCare Initiatives within the Medical Services for the Aged program classification, amounts may be transferred between direct state services and grants-in-aid accounts, subject to the approval of the Director of the Division of Budget and Accounting. Notice thereof shall be provided to the Legislative Budget and Finance Officer on the effective date of the approved transfer.

In order to permit flexibility in implementing the ElderCare Advisory Commission Initiatives within the Programs for the Aged program classification, amounts may be transferred between direct state services and grants-in-aid accounts, subject to the approval of the Director of the Division of Budget and Accounting. Notice thereof shall be provided to the Legislative Budget and Finance Officer on the effective date of the approved transfer.