

## DEPARTMENT OF HEALTH AND SENIOR SERVICES OVERVIEW

### Mission and Goals

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:

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

Provide high quality long-term care services and program benefits that promote independence, dignity, and choice to the benefit of New Jersey's older adults, and their caregivers.

Strengthen New Jersey's public health infrastructure by adopting and implementing best practices, inspecting and monitoring health care facilities and services, improving the delivery system and supporting our safety net institutions, creating a comprehensive communications system that links health care providers and institutions statewide, forming a coordinated disease surveillance and response network, and providing quality and responsive comprehensive public health and environmental laboratory diagnostic testing services.

Prevent and control communicable and chronic diseases, foster and support maternal and child health services including increased access to prenatal care services, HIV and AIDS related services, and anti-tobacco efforts for many of New Jersey's population. Implement scientific, evidence-based primary and secondary prevention programs designed to decrease mortality rates of health conditions such as heart disease, cancer, obesity, and stroke to promote longer and healthier lives and to identify and mitigate newborn metabolic deficiencies.

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. Provide grants to fund community-based organizations to conduct outreach, education, screening, referrals and follow-up focusing on diabetes, asthma and chronic disease self-management.

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.

### Budget Highlights

The Fiscal 2010 Budget for the Department of Health and Senior Services totals \$1.244 billion, a decrease of \$358.2 million or 22% under the fiscal 2009 adjusted appropriation of \$1.602 billion. This decrease in appropriation is largely due to the availability of \$319 million of enhanced federal Medicaid funding from the American Recovery and Reinvestment Act, which will reduce State costs for the Nursing Home, Medical Day Care, and Global Budget programs.

### Health Services

The Fiscal 2010 Budget continues funding for the Early Childhood Intervention Program (ECI) to address the expanding needs of the developmentally disabled under three years of age.

The Fiscal 2010 Budget continues funding for Federally Qualified Health Centers (FQHC). There are now over 90 licensed sites throughout the State. The number of uninsured primary care visits to FQHCs during fiscal year 2009 is expected to be 400,000.

### Senior Services

The Fiscal 2010 Budget continues funding for the Department's major programs. Funding is provided to continue the Pharmaceutical Assistance to the Aged and Disabled Program (PAAD), which provides needed pharmaceutical services to seniors and disabled clients with incomes below \$24,432 if single and \$29,956 if married.

The Budget also includes funding for the Senior Gold Program that provides pharmaceutical services to aged and disabled clients with incomes below \$34,432 if single and \$39,956 if married. Senior Gold clients pay a \$15.00 co-payment and 50% of the remaining cost of the drug, which is the same as the current policy.

The PAAD program continues to coordinate coverage with the federal Medicare Part D drug assistance program. Approximately 162,000 PAAD and Senior Gold beneficiaries are enrolled into a Medicare Part D plan that best meets their needs based on their prescription drug utilization. The Part D enrollment effort in PAAD has resulted in significant savings for the State. The Fiscal 2010 Budget recommendation includes the elimination of PAAD and Senior Gold coverage for the majority of drugs outside of the Medicare Part D plan for a savings of \$4.6 million. The Fiscal 2010 Budget recommendation also lowers the reimbursement paid to pharmacies by 1% for a savings of \$400,000.

The Fiscal 2010 Budget continues funding for the Global Budget for Long Term Care, which provides community based services previously funded separately through the Community Care Alternatives, Assisted Living, and ElderCare Initiatives appropriations. Since the Department began the Global Options (GO) for Long-Term Care initiative in fiscal year 2006, over 1,000 nursing home residents have been transitioned to alternative long-term care options. GO provides supportive services to enable nursing facility residents who are clinically and financially approved for long-term care through Medicaid to return to the community. A new Global Options Medicaid waiver received federal approval in fiscal 2009, which will allow the department to provide community based services to a greater number of individuals in fiscal 2010. By eliminating program specific enrollment caps, the new Medicaid waiver will provide seniors with better access to the services they need to prevent or delay institutional care.

### Health Planning and Evaluation

The Fiscal 2010 Budget recommends a Charity Care allocation of \$605 million, which maintains funding at 100% of the fiscal 2009 level. The formula to distribute these funds will be adjusted to maintain necessary support for safety net hospitals and updated based on the most recent available service data. The Fiscal 2010 recommendation for the Health Care Stabilization Fund is \$40 million, a reduction of \$4 million from the fiscal 2009 level. The Stabilization Fund was created in fiscal year 2009 to provide funding to facilities to maintain access to health care services.

# HEALTH AND SENIOR SERVICES

## DEPARTMENT OF HEALTH AND SENIOR SERVICES

### SUMMARY OF APPROPRIATIONS BY FUND

(thousands of dollars)

Year Ending June 30, 2008						Year Ending — June 30, 2010 —		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2009 Adjusted Approp.	Requested	Recom- mended
					<b>GENERAL FUND</b>			
69,245	14,661	12,346	96,252	89,146	Direct State Services	60,009	63,744	63,744
1,386,146	7,338	-14,213	1,379,271	1,327,258	Grants-In-Aid	1,330,138	981,791	981,791
9,552	---	---	9,552	9,413	State Aid	9,552	9,552	9,552
---	161	---	161	17	Capital Construction	---	---	---
<b>1,464,943</b>	<b>22,160</b>	<b>-1,867</b>	<b>1,485,236</b>	<b>1,425,834</b>	<b>Total General Fund</b>	<b>1,399,699</b>	<b>1,055,087</b>	<b>1,055,087</b>
					<b>CASINO REVENUE FUND</b>			
871	30	135	1,036	944	Direct State Services	871	871	871
279,928	12,301	-135	292,094	275,321	Grants-In-Aid	201,554	187,920	187,920
<b>280,799</b>	<b>12,331</b>	<b>---</b>	<b>293,130</b>	<b>276,265</b>	<b>Total Casino Revenue Fund</b>	<b>202,425</b>	<b>188,791</b>	<b>188,791</b>
<b>1,745,742</b>	<b>34,491</b>	<b>-1,867</b>	<b>1,778,366</b>	<b>1,702,099</b>	<b>Total Appropriation, Department of Health and Senior Services</b>	<b>1,602,124</b>	<b>1,243,878</b>	<b>1,243,878</b>

### SUMMARY OF APPROPRIATIONS BY PROGRAM

(thousands of dollars)

Year Ending June 30, 2008						Year Ending — June 30, 2010 —		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2009 Adjusted Approp.	Requested	Recom- mended
					<b>DIRECT STATE SERVICES – GENERAL FUND</b>			
					<b>Health Services</b>			
1,678	2,672	-1,532	2,818	2,813	Vital Statistics	1,323	1,323	1,323
3,178	---	311	3,489	2,791	Family Health Services	2,668	2,668	2,668
26,784	2,699	561	30,044	28,548	Public Health Protection Services	21,836	20,781	20,781
8,048	654	1,399	10,101	10,093	Laboratory Services	9,581	14,371	14,371
1,991	49	1,389	3,429	3,284	AIDS Services	1,501	1,501	1,501
<b>41,679</b>	<b>6,074</b>	<b>2,128</b>	<b>49,881</b>	<b>47,529</b>	<b>Subtotal</b>	<b>36,909</b>	<b>40,644</b>	<b>40,644</b>
					<b>Health Planning and Evaluation</b>			
5,762	2,897	718	9,377	8,859	Long Term Care Systems	4,798	4,798	4,798
2,682	5,224	-5,587	2,319	2,255	Health Care Systems Analysis	1,767	1,767	1,767
<b>8,444</b>	<b>8,121</b>	<b>-4,869</b>	<b>11,696</b>	<b>11,114</b>	<b>Subtotal</b>	<b>6,565</b>	<b>6,565</b>	<b>6,565</b>
					<b>Health Administration</b>			
3,498	5	5,224	8,727	8,692	Administration and Support Services	3,135	3,135	3,135
<b>3,498</b>	<b>5</b>	<b>5,224</b>	<b>8,727</b>	<b>8,692</b>	<b>Subtotal</b>	<b>3,135</b>	<b>3,135</b>	<b>3,135</b>
					<b>Senior Services</b>			
5,097	12	5,712	10,821	8,420	Medical Services for the Aged	4,602	4,602	4,602
9,215	428	3,850	13,493	11,846	Pharmaceutical Assistance to the Aged and Disabled	7,801	7,801	7,801
---	11	---	11	---	Lifeline	---	---	---
462	10	319	791	713	Programs for the Aged	363	363	363
850	---	-18	832	832	Office of the Public Guardian	634	634	634

# HEALTH AND SENIOR SERVICES

Year Ending June 30, 2008					Year Ending June 30, 2010			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2009 Adjusted Approp.	Requested	Recom- mended
15,624	461	9,863	25,948	21,811	<i>Subtotal</i>	13,400	13,400	13,400
<b>69,245</b>	<b>14,661</b>	<b>12,346</b>	<b>96,252</b>	<b>89,146</b>	<b>Total Direct State Services – General Fund</b>	<b>60,009</b>	<b>63,744</b>	<b>63,744</b>
<b>DIRECT STATE SERVICES – CASINO REVENUE FUND</b>								
<b>Senior Services</b>								
871	30	135	1,036	944	Programs for the Aged	871	871	871
871	30	135	1,036	944	<i>Subtotal</i>	871	871	871
<b>871</b>	<b>30</b>	<b>135</b>	<b>1,036</b>	<b>944</b>	<b>Total Direct State Services – Casino Revenue Fund</b>	<b>871</b>	<b>871</b>	<b>871</b>
<b>70,116</b>	<b>14,691</b>	<b>12,481</b>	<b>97,288</b>	<b>90,090</b>	<b>TOTAL DIRECT STATE SERVICES</b>	<b>60,880</b>	<b>64,615</b>	<b>64,615</b>
<b>GRANTS-IN-AID – GENERAL FUND</b>								
<b>Health Services</b>								
139,605	---	-833	138,772	136,357	Family Health Services	144,180	133,004	133,004
76,403	3,450	-164	79,689	73,682	Public Health Protection Services	60,544	58,953	58,953
30,607	2,652	-1,335	31,924	30,893	AIDS Services	30,016	33,978	33,978
246,615	6,102	-2,332	250,385	240,932	<i>Subtotal</i>	234,740	225,935	225,935
<b>Health Planning and Evaluation</b>								
201,462	---	-2,000	199,462	179,462	Health Care Systems Analysis	62,462	60,462	60,462
201,462	---	-2,000	199,462	179,462	<i>Subtotal</i>	62,462	60,462	60,462
<b>Senior Services</b>								
866,168	---	14,160	880,328	873,758	Medical Services for the Aged	919,658	596,057	596,057
56,898	1,236	-23,850	34,284	18,294	Pharmaceutical Assistance to the Aged and Disabled	97,710	83,814	83,814
15,003	---	-191	14,812	14,812	Programs for the Aged	15,568	15,523	15,523
938,069	1,236	-9,881	929,424	906,864	<i>Subtotal</i>	1,032,936	695,394	695,394
<b>1,386,146</b>	<b>7,338</b>	<b>-14,213</b>	<b>1,379,271</b>	<b>1,327,258</b>	<b>Total Grants-In-Aid – General Fund</b>	<b>1,330,138</b>	<b>981,791</b>	<b>981,791</b>
<b>GRANTS-IN-AID – CASINO REVENUE FUND</b>								
<b>Health Services</b>								
529	---	---	529	529	Family Health Services	529	529	529
529	---	---	529	529	<i>Subtotal</i>	529	529	529
<b>Senior Services</b>								
29,129	---	15	29,144	27,891	Medical Services for the Aged	27,830	27,830	27,830
235,593	12,301	-15	247,879	232,359	Pharmaceutical Assistance to the Aged and Disabled	158,518	144,884	144,884
14,677	---	-135	14,542	14,542	Programs for the Aged	14,677	14,677	14,677
279,399	12,301	-135	291,565	274,792	<i>Subtotal</i>	201,025	187,391	187,391
<b>279,928</b>	<b>12,301</b>	<b>-135</b>	<b>292,094</b>	<b>275,321</b>	<b>Total Grants-In-Aid – Casino Revenue Fund</b>	<b>201,554</b>	<b>187,920</b>	<b>187,920</b>
<b>1,666,074</b>	<b>19,639</b>	<b>-14,348</b>	<b>1,671,365</b>	<b>1,602,579</b>	<b>TOTAL GRANTS-IN-AID</b>	<b>1,531,692</b>	<b>1,169,711</b>	<b>1,169,711</b>

# HEALTH AND SENIOR SERVICES

Year Ending June 30, 2008					Year Ending June 30, 2010			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		2009 Adjusted Approp.	Requested	Recommended
2,400	---	---	2,400	2,261	<b>STATE AID – GENERAL FUND</b>			
					<b>Health Services</b>			
					Public Health Protection Services	2,400	2,400	2,400
2,400	---	---	2,400	2,261	<i>Subtotal</i>	2,400	2,400	2,400
					<b>Senior Services</b>			
7,152	---	---	7,152	7,152	Programs for the Aged	7,152	7,152	7,152
7,152	---	---	7,152	7,152	<i>Subtotal</i>	7,152	7,152	7,152
9,552	---	---	9,552	9,413	<b>Total State Aid – General Fund</b>	9,552	9,552	9,552
9,552	---	---	9,552	9,413	<b>TOTAL STATE AID</b>	9,552	9,552	9,552
					<b>CAPITAL CONSTRUCTION</b>			
					<b>Health Services</b>			
---	150	---	150	17	Laboratory Services	---	---	---
---	150	---	150	17	<i>Subtotal</i>	---	---	---
					<b>Health Administration</b>			
---	11	---	11	---	Administration and Support Services	---	---	---
---	11	---	11	---	<i>Subtotal</i>	---	---	---
---	161	---	161	17	<b>TOTAL CAPITAL CONSTRUCTION</b>	---	---	---
1,745,742	34,491	-1,867	1,778,366	1,702,099	<b>Total Appropriation, Department of Health and Senior Services</b>	1,602,124	1,243,878	1,243,878

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

### OBJECTIVES

- To provide a system for the registration of births, deaths, marriages and other vital statistics and to furnish certified copies as requested.
- 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.
- To promote and improve local health department practice and performance through regulation, licensing, technical assistance, education and health service grants.
- 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.
- 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.
- To detect, prevent, control and treat chronic diseases with emphasis on assistance for persons with low or limited socioeconomic status.
- To reduce the incidence and spread of tuberculosis.
- To detect, prevent and control occupationally related diseases, fatal injuries and hazards in high-risk public and private workplaces.
- To reduce abuse of and dependence on tobacco.
- 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.); 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; develops community based chronic disease detection programs and supports the special health needs of the geriatric population.
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; 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; 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 clients counseling and treatment services.

08. **Laboratory Services.** Performs comprehensive analytical and diagnostic laboratory services through five primary service categories on a 24-hour 7-days per 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, health and supportive services.

**EVALUATION DATA**

<b>PROGRAM DATA</b>	<b>Actual FY 2007</b>	<b>Actual FY 2008</b>	<b>Revised FY 2009</b>	<b>Budget Estimate FY 2010</b>
<b>Vital Statistics</b>				
Searches .....	151,634	126,551	110,000	110,000
Certified Copies Issued .....	116,641	97,347	83,000	83,000
<b>Family Health Services</b>				
Agencies receiving health services grants .....	505	510	516	516
<b>Handicapped Children</b>				
Physically disabled children receiving services .....	42,521	42,663	43,000	44,500
Children newly registered with Special Child Health Services .....	9,275	8,625	9,000	9,100
<b>Maternal and Child Health</b>				
Infant mortality rate/1,000 live births .....	5.7	5.7	5.7	5.7

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	Actual FY 2007	Actual FY 2008	Revised FY 2009	Budget Estimate FY 2010
Infant born to mothers with no prenatal care/1,000 live births .....	10.0	11.0	11.0	10.0
Newborns screened for metabolic and genetic disorders . . .	111,607	111,123	112,000	112,000
Number of infants to be followed .....	6,775	6,572	7,000	6,800
Number of infants in early intervention .....	18,513	19,782	20,700	20,750
HealthStart (prenatal) .....	29,167	33,071	31,000	32,000
Women assessed for alcohol use/abuse during pregnancy . .	29,046	32,741	34,000	35,000
Women, Infants and Children (WIC) receiving services . . .	271,954	280,752	280,000	300,000
<b>Family Planning</b>				
Women in reproductive years applying for and receiving services .....	131,756	130,647	132,000	132,000
<b>Poison Control</b>				
Children screened for lead poisoning .....	184,563	207,412	210,000	210,000
Number of lead poisoned children identified .....	2,885	2,042	1,800	1,700
<b>Adult Health</b>				
Adults served with Cystic Fibrosis .....	105	109	105	109
<b>Health Promotion</b>				
Persons screened and educated for breast and cervical cancer .....	20,621	22,754	20,000	20,000
Number of renal patients served .....	1,391	1,375	1,350	1,350
<b>Public Health Protection Services</b>				
<b>Cancer and Epidemiological Services</b>				
Number of new cancer cases reported .....	128,001	119,726	120,000	120,000
Number of cumulative cancer reports in master file .....	2,114,595	2,234,321	2,364,000	2,364,000
<b>Tuberculosis Control</b>				
TB cases on register as of June 30 .....	489	372	490	490
Visits to chest clinics .....	48,671	37,000	48,000	48,000
Percent of TB patients completing chemotherapy .....	86.0%	87.0%	87.0%	87.0%
<b>Emergency Medical Services</b>				
Mobile intensive care paramedics certified/recertified . . . .	873	914	950	950
Emergency Medical Technicians certified/recertified . . . . .	8,642	8,200	8,300	8,300
Helicopter response missions .....	2,977	3,000	3,000	3,000
Mobile intensive care unit's patient charts audited .....	1,500	1,000	1,000	1,000
Ambulance/invalid services licensed .....	385	393	450	450
Ambulance/invalid vehicles licensed .....	2,955	3,005	3,200	3,200
EMT training agencies certified .....	67	69	70	70
<b>Sexually Transmitted Diseases (STD)</b>				
Percent of STD clinic patients receiving education about HIV infection .....	78%	80%	85%	85%
Reported cases of early syphilis .....	465	569	625	650
Syphilis cases (early and late) brought to treatment by Department of Health .....	732	915	1,015	1,100
Reported cases of gonorrhea .....	5,865	6,077	6,300	6,500
Gonorrhea cases brought to treatment by Department of Health .....	1,877	1,992	2,100	2,250
Visits to STD clinics .....	18,783	18,866	19,500	20,000
Patients receiving diagnostic services .....	10,811	11,570	12,000	12,500
<b>Consumer Health</b>				
Pet spay/neuter surgeries performed .....	4,700	4,650	5,000	5,000
Registration of dogs (rabies control) .....	462,000	486,000	475,000	475,000
Environmental and sanitary inspections and investigations conducted .....	5,500	5,500	5,000	4,500
Number of food, drug and cosmetic embargoes, destructions and recalls .....	40	85	85	80
<b>Other Communicable Disease Control</b>				
Number of disease cases reported .....	15,000	15,600	16,000	16,000
Number of investigations of outbreaks .....	147	151	150	150

# HEALTH AND SENIOR SERVICES

	Actual FY 2007	Actual FY 2008	Revised FY 2009	Budget Estimate FY 2010
Levels of protection for children entering school against:				
Rubella .....	99%	99%	99%	99%
Measles .....	99%	99%	99%	99%
Mumps .....	99%	99%	99%	99%
Polio .....	99%	99%	99%	99%
Diphtheria .....	99%	99%	99%	99%
Infectious disease consultations .....	35,000	35,000	35,000	35,000
Non-outbreak investigations .....	297	305	300	300
Public Employees Occupational Safety and Health				
Complaint inspections conducted .....	446	487	430	430
Telephone consultations .....	724	638	600	600
Educational seminars presented .....	95	173	100	25
Right to Know				
Fact sheets written or revised .....	117	128	120	120
Public and private workplaces inspected .....	685	243	183	183
Telephone consultations .....	3,879	3,587	3,500	3,500
Occupational Health Surveillance				
Exposure and illness reports received .....	16,068	15,546	16,000	16,000
Educational materials mailed to public .....	11,016	4,897	5,000	5,000
In-depth industrial hygiene evaluations .....	23	18	20	20
Follow-up industrial hygiene evaluations .....	3	2	5	5
Work-related chronic disease and epidemiology studies ..	6	---	2	2
Worker interviews and mailings .....	562	507	600	600
Environmental Health Services				
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 .....	4,500	4,500	4,500	4,500
Responses to acute environmental emergencies .....	20	20	20	20
Consultations provided to other agencies and to the public	35	35	35	35
Local health consultations, evaluations, and				
training services .....	11,030	11,050	11,050	11,050
<b>Laboratory Services</b>				
Bacteriology				
Specimens analyzed .....	104,912	102,268	105,644	105,644
Inborn Errors of Metabolism				
Specimens analyzed .....	126,650	128,973	131,000	133,000
Chemistry				
Occupational health samples examined .....	5	---	5	5
Sewage, stream & trade waste samples examined .....	6,778	12,704	13,500	13,500
Narcotic samples examined .....	116,399	112,372	117,991	123,891
Potable water samples examined .....	4,828	7,264	8,600	8,600
Food and milk samples examined .....	4,516	4,414	4,425	4,425
Blood lead samples examined .....	4,309	122	---	---
Clinical Laboratory Services				
Clinical laboratories licensed .....	2,028	2,264	2,300	2,300
Proficiency test samples (percent acceptable) .....	95%	95%	95%	95%
Proficiency test samples reviewed .....	57,500	57,500	57,500	57,500
Blood banks inspected .....	78	61	100	110
Clinical laboratory inspections .....	440	380	440	440
Blood banks licensed .....	290	296	305	310
Serology				
Routine screen tests for syphilis .....	23,567	22,909	24,026	24,026
Virology				
Specimens analyzed .....	60,682	66,017	62,000	62,000

# HEALTH AND SENIOR SERVICES

	Actual FY 2007	Actual FY 2008	Revised FY 2009	Budget Estimate FY 2010
<b>AIDS Services</b>				
Number of clients tested and counseled .....	76,828	75,000	75,000	75,000
Contact tracing of individuals .....	432	472	500	500
Hotline network calls .....	5,785	3,928	4,000	4,000
Living AIDS clients .....	17,551	17,946	18,977	19,410
HIV positive clients .....	16,724	17,439	17,451	17,916
Clients receiving early intervention services .....	8,003	8,429	8,500	8,500
Individuals reached/HIV training .....	1,050	975	950	950
AIDS Drug Distribution Program clients served .....	7,005	7,199	7,500	7,500

## PERSONNEL DATA

### Position Data

#### Filled Positions by Funding Source

State Supported .....	330	307	277	271
Federal .....	546	528	490	478
All Other .....	103	126	116	119
Total Positions .....	979	961	883	868

#### Filled Positions by Program Class

Vital Statistics .....	50	50	45	45
Family Health Services .....	202	193	181	181
Public Health Protection Services .....	465	460	418	406
Laboratory Services .....	128	123	115	115
AIDS Services .....	134	135	124	121
Total Positions .....	979	961	883	868

### Notes:

Actual payroll counts are reported for fiscal years 2007 and 2008 as of December and revised fiscal year 2009 as of January. The Budget Estimate for fiscal year 2010 reflects the number of positions funded. All Other includes positions supported by fees or other dedicated resources previously reported as State Supported.

## APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2008					Year Ending June 30, 2010				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2009 Adjusted Approp.	Requested	Recom- mended	
<b><u>DIRECT STATE SERVICES</u></b>									
<b>Distribution by Fund and Program</b>									
1,678	2,672	-1,532	2,818	2,813	Vital Statistics	01	1,323	1,323	1,323
3,178	---	311	3,489	2,791	Family Health Services	02	2,668	2,668	2,668
26,784	2,699	561	30,044	28,548	Public Health Protection Services	03	21,836	20,781	20,781
8,048	654	1,399	10,101	10,093	Laboratory Services	08	9,581	14,371	14,371
1,991	49	1,389	3,429	3,284	AIDS Services	12	1,501	1,501	1,501
<b>41,679</b>	<b>6,074</b>	<b>2,128</b>	<b>49,881</b>	<b>47,529</b>	<b>Total Direct State Services</b>		<b>36,909<sup>(a)</sup></b>	<b>40,644</b>	<b>40,644</b>

# HEALTH AND SENIOR SERVICES

Year Ending June 30, 2008					Year Ending June 30, 2010			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2009 Adjusted Approp.	Requested	Recom- mended
<b>DIRECT STATE SERVICES</b>								
<b>Distribution by Fund and Object</b>								
Personal Services:								
16,035	4,320 <sup>R</sup>	-1,055	19,300	19,291		14,341	14,326	14,326
16,035	4,320	-1,055	19,300	19,291		14,341	14,326	14,326
2,229	19	44	2,292	2,179		2,229	2,229	2,229
937	30	2,259	3,226	3,127		1,692	4,192	4,192
153	---	3	156	155		153	153	153
Special Purpose:								
87	---	---	87	87	02	87	87	87
90	---	---	90	90	02	90	90	90
300	---	---	300	300				
500 <sup>S</sup>	---	---	500	393	02	300	300	300
500	---	---	500	---	02	500	500	500
500	---	---	500	500	02	500	500	500
---	---	233	233	199	02	500	500	500
1,450	---	---	1,450	1,448	02	---	---	---
400	---	-293	107	107	03	1,450	1,450	1,450
500	---	---	500	500	03	400	400	400
---	---	218	218	218	03	500	500	500
50	---	---	50	50	03	---	---	---
7,000	---	-366	6,634	6,632	03	50	50	50
4,000	---	-224	3,776	3,776	03	6,600	5,760	5,760
1,000	815	---	1,815	878	03	2,000	1,800	1,800
720	171	---	891	890	03	1,000	1,000	1,000
300	---	---	300	150	03	---	---	---
2,288	---	---	2,288	1,949	03	150	150	150
200	---	-48	152	152	03	2,367	2,367	2,367
---	65	1,829	1,894	1,841	03	200	200	200
---	654 <sup>R</sup>	-654	---	---	03	---	---	---
1,800	---	---	1,800	1,800	08	---	---	---
640	---	---	640	635	08	1,800	1,800	1,800
---	---	182	182	182	08	---	640	640
						---	1,650	1,650
<b>GRANTS-IN-AID</b>								
<b>Distribution by Fund and Program</b>								
140,134	---	-833	139,301	136,886	02	144,709	133,533	133,533
139,605	---	-833	138,772	136,357				
529	---	---	529	529				
76,403	3,450	-164	79,689	73,682	03	60,544	58,953	58,953
30,607	2,652	-1,335	31,924	30,893	12	30,016	33,978	33,978

# HEALTH AND SENIOR SERVICES

Year Ending June 30, 2008					Year Ending June 30, 2010				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2009 Adjusted Approp.	Requested	Recommended	
<b>GRANTS-IN-AID</b>									
247,144	6,102	-2,332	250,914	241,461		235,269	226,464	226,464	
246,615	6,102	-2,332	250,385	240,932		234,740	225,935	225,935	
529	---	---	529	529		529	529	529	
<b>Distribution by Fund and Object</b>									
Special Purpose:									
6,000	---	---	6,000	---	03	---	---	---	
7,509	---	---	7,509	7,383	02	7,989	7,590	7,590	
1,371	---	---	1,371	1,371	02	1,245	1,245	1,245	
2,366	---	---	2,366	2,331	02	2,516	2,516	2,516	
483	---	---	483	483	02	513	488	488	
357	---	---	357	357	02	379	379	379	
33	---	---	33	33	02	35	35	35	
529	---	---	529	529	02	529	529	529	
3,925	---	---	3,925	3,907	02	---	---	---	
5,747	---	---	5,747	5,727	02	6,113	6,113	6,113	
900	---	---	900	896	02	987	987	987	
927	---	---	927	883	02	587	587	587	
551	---	---	551	551	02	101,199	96,799	96,799	
97,009	---	---	97,009	97,009	02	729	693	693	
685	---	---	685	685	02	1,250	950	950	
1,250	---	---	1,250	1,250	02	6,034	6,034	6,034	
5,672	---	-1,223	4,449	4,401	02	221	221	221	
207	---	---	207	207	02	333	317	317	
313	---	---	313	313	02	2,000	2,000	2,000	
---	---	---	---	---	02	2,500	2,000	2,000	
2,500	---	-600	1,900	---	02	2,000	2,000	2,000	
2,000	---	---	2,000	1,780	02	---	---	---	
250	---	---	250	250	02	50	50	50	
50	---	---	50	50	02	5,000	---	---	
5,000	---	---	5,000	5,000	02	500	---	---	
500	---	---	500	500	02	2,000	2,000	2,000	
---	---	---	---	---	02	---	---	---	
---	---	990	990	990	02	---	---	---	
1,630	---	---	1,630	1,630	03	1,784	1,784	1,784	

# HEALTH AND SENIOR SERVICES

Year Ending June 30, 2008					Year Ending June 30, 2010				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2009 Adjusted Approp.	Requested	Recommended	
<b>GRANTS-IN-AID</b>									
4,000	---	50	4,050	4,049					
1,500	---	-218	1,282	1,276					
141	---	---	141	141					
880	---	---	880	880					
---	---	4	4	4					
471	---	---	471	471					
25,250	---	---	25,250	25,250					
6,400	3,450	---	9,850	9,850					
29,850	---	---	29,850	29,850					
281	---	---	281	281					
1,609	37	---	1,646	1,602					
18,698	589	-1,335	17,952	17,073					
4,200	26	---	4,226	4,118					
6,000	2,000	---	8,000	8,000					
100	---	---	100	100					
<b>STATE AID</b>									
<b>Distribution by Fund and Program</b>									
2,400	---	---	2,400	2,261					
<b>2,400</b>	<b>---</b>	<b>---</b>	<b>2,400</b>	<b>2,261</b>		<b>2,400</b>	<b>2,400</b>	<b>2,400</b>	
<b>Distribution by Fund and Object</b>									
State Aid:									
2,400	---	-450	1,950	1,811					
---	---	450	450	450					
<b>CAPITAL CONSTRUCTION</b>									
<b>Distribution by Fund and Program</b>									
---	150	---	150	17					
<b>---</b>	<b>150</b>	<b>---</b>	<b>150</b>	<b>17</b>		<b>---</b>	<b>---</b>	<b>---</b>	
<b>Distribution by Fund and Object</b>									
<b>Division of Public Health and Environmental Laboratories</b>									
---	50	---	50	17					
---	52	---	52	---					
---	2	---	2	---					
---	46	---	46	---					
<b>291,223</b>	<b>12,326</b>	<b>-204</b>	<b>303,345</b>	<b>291,268</b>		<b>274,578</b>	<b>269,508</b>	<b>269,508</b>	

## OTHER RELATED APPROPRIATIONS

Federal Funds									
1,100	774	---	1,874	775					
191,555	33,768	---	225,323	160,062					
70,379	---	---	---	---					
129 <sup>S</sup>	10,155	1,031	81,694	52,155					

# HEALTH AND SENIOR SERVICES

Year Ending June 30, 2008					Year Ending June 30, 2010				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2009 Adjusted Approp.	Requested	Recommended	
<b>OTHER RELATED APPROPRIATIONS</b>									
5,649									
165 <sup>S</sup>	737	281	6,832	3,295	Laboratory Services	08	3,931	3,931	3,931
79,870									
1,047 <sup>S</sup>	11,647	-339	92,225	67,224	AIDS Services	12	76,066	73,066	73,066
<u>349,894</u>	<u>57,081</u>	<u>973</u>	<u>407,948</u>	<u>283,511</u>	<b>Total Federal Funds</b>		<u>352,409</u>	<u>365,114</u>	<u>365,114</u>
<b>All Other Funds</b>									
---	1,073	---	1,433	323	Vital Statistics	01	2,900	2,900	2,900
	360 <sup>R</sup>								
---	14,059	42,654	119,705	77,887	Family Health Services	02	61,506	61,506	61,506
	62,992 <sup>R</sup>								
---	8,549	9,301	21,096	13,703	Public Health Protection Services (E)	03	14,530	13,002	13,002
	3,246 <sup>R</sup>								
---	473	---	642	47	Laboratory Services	08	800	800	800
	169 <sup>R</sup>								
---	11,543	---	29,556	24,841	AIDS Services	12	25,000	26,356	26,356
	18,013 <sup>R</sup>								
---	<u>120,477</u>	<u>51,955</u>	<u>172,432</u>	<u>116,801</u>	<b>Total All Other Funds</b>		<u>104,736</u>	<u>104,564</u>	<u>104,564</u>
<u>641,117</u>	<u>189,884</u>	<u>52,724</u>	<u>883,725</u>	<u>691,580</u>	<b>GRAND TOTAL ALL FUNDS</b>		<u>731,723</u>	<u>739,186</u>	<u>739,186</u>

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

- (a) The fiscal year 2009 appropriation has been adjusted for the allocation of salary program, the annualized savings from the Early Retirement Incentive program and continued attrition, and the reallocation of procurement efficiencies.
- (b) As a result of P.L.2007, c.168, the Governor's Council for Medical Research and Treatment of Autism has been transferred from the Department of State to the Department of Health and Senior Services.

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

- (c) Adjusted Appropriation for Cost of Living Adjustment, Family Health Services has been allocated to other accounts.
- (d) \$40 million for uninsured visits to Federally Qualified Health Centers is funded from the Health Care Subsidy Fund.
- (e) Adjusted Appropriation for Cost of Living Adjustment, Public Health Protection has been allocated to other accounts.
- (f) Adjusted Appropriation for Cost of Living Adjustment, AIDS Services has been allocated to other accounts.

## Notes -- All Other Funds

- (g) 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 2010. 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.

In addition to the amounts hereinabove 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.

Receipts deposited in the Autism Medical Research and Treatment Fund are appropriated for the Governor's Council for Medical Research and Treatment of Infantile Autism, subject to the approval of the Director of the Division of Budget and Accounting.

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.

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 from the "Worker and Community Right to Know Fund," and the receipts in excess of the amount anticipated, not to exceed \$614,000, 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.

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 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.

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.

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 amounts hereinabove appropriated for the AIDS Drug Distribution Program (ADDP) shall not be spent unless the AIDS Drug Distribution Program is designated as 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 Medicare Advantage Prescription Drug plan. If any beneficiary declines enrollment in any Medicare Part D plan, that beneficiary shall be barred from all benefits of the ADDP Program.

Notwithstanding the provisions of any law or regulation to the contrary, the amount hereinabove appropriated 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 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.

## HEALTH AND SENIOR SERVICES

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In order to permit flexibility in the handling of appropriations, the amount hereinabove appropriated for the Medical Emergency Disaster Preparedness for Bioterrorism Program may be transferred to Direct State Service accounts as required, 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 amount hereinabove appropriated for the Early Childhood Intervention Program shall be conditioned on the Early Childhood Intervention Program's family cost sharing program involving a progressive charge 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 set forth in the New Jersey Early Intervention System Family Cost Participation Handbook (June 2008).

There are appropriated such additional 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 section 6 of P.L.2000, c.98 (C.26:21-7.1) in connection with the Hospital Asset Transformation program.

The unexpended balance at the end of the preceding fiscal year in the AIDS Drug Distribution Program account is appropriated, 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, any additional federal disproportionate share hospital matching funds received as a result of the conversion to a municipal hospital known as Hoboken University Medical Center are appropriated for the Hoboken University Medical Center in an amount to be determined by the Division of Medical Assistance and Health Services, subject to the approval of the Director of the Division of Budget and Accounting.

From the amount hereinabove appropriated to Cancer Research, an amount up to \$10,000,000 is appropriated for competitive grants to be made by the New Jersey Commission on Cancer Research, for cancer research, provided that the award of such grant funds are: 1) made in consultation with the New Jersey Department of Health and Senior Services; 2) the notice of grant availability is published in the New Jersey Register; 3) not more than 5% of the total amount hereinabove appropriated may be transferred to various accounts as required, including Direct State Services accounts, and is appropriated for a comprehensive scientific peer review process, subject to the Director of the Division of Budget and Accounting; 4) expended within this state and benefit New Jersey residents; and 5) the Department of Health and Senior Services shall execute the grant agreements and the New Jersey Commission on Cancer Research shall oversee and administer the grant agreements.

No funds hereinabove appropriated to the Department of Health and Senior Services shall be used for the Medical Waste Management Program. The Department of Health and Senior Services and the Department of Environmental Protection shall establish a transition plan to ensure provisions of the "Comprehensive Regulated Medical Waste Management Act," P.L.1989, c.34 (C.13:1E-48.1 et al.) are met.

The unexpended balance at the end of the preceding fiscal year in the Cancer Research account is appropriated.

Notwithstanding the provisions of any law or regulation to the contrary, the amount hereinabove appropriated for the Cancer Institute of New Jersey (CINJ) shall be conditioned upon the following provision: no funds shall be expended except to support CINJ's infrastructure necessary to support cancer research, prevention and treatment.

The unexpended balance at the end of the preceding fiscal year in the Cancer Institute of New Jersey Research, South Jersey Program – Debt Service account and any unexpended balance from preceding fiscal years that are transferred to the program are appropriated to the program for cancer-related capital equipment, design, engineering and construction expenses.

Of the amount hereinabove appropriated for the Surveillance, Epidemiology and End Results Expansion Program (SEER)– Cancer Institute of New Jersey (CINJ) account, 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.

In addition to the amount hereinabove appropriated for the Early Childhood Intervention Program, such additional sums as may be necessary are appropriated for the same purpose, 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 amount hereinabove appropriated for the AIDS Drug Distribution Program shall be conditioned upon the following provision: the co-payment for recipients earning between 101% and 225% of the federal poverty level shall be \$6.00 per prescription; the co-payment for recipients earning between 226% and 320% of the federal poverty level shall be \$15.00 per prescription; the co-payment for recipients earning above 320% of the federal poverty level shall be \$30.00 per prescription.

### Language Recommendations -- State Aid – General Fund

The capitation for Public Health Priority Funding is set not to exceed \$0.40 for the fiscal year ending June 30, 2010 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

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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.

### 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; establishment of 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; review and analysis of 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 the administration and development of analytical data, which includes data on all vital health events to determine the health status of New Jerseyans.

### EVALUATION DATA

	Actual FY 2007	Actual FY 2008	Revised FY 2009	Budget Estimate FY 2010
<b>PROGRAM DATA</b>				
<b>Long Term Care Systems</b>				
Licensed health care facilities .....	785	790	800	815
Licensed nursing home administrators .....	1,027	950	990	1,010
Total licenses issued .....	911	904	950	1,000
Number of beds licensed .....	83,076	83,816	84,000	84,200
Total inspections Long Term Care (b) .....	1,165	1,235	1,165	1,200
Total Complaint Investigations Long Term Care (b) .....	1,973	1,996	1,973	2,000
Total federally certified non-state licensed facilities .....	9	9	8	8
Total federally certified non-state licensed beds .....	3,661	3,661	3,647	3,647
Administrative actions/penalties .....	43	46	50	50
Federal enforcement actions .....	1,183	1,213	1,200	1,200
Nurse Aide applications processed .....	23,929	20,103	25,000	25,000
Inspections of Acute Care Facilities (b) .....	746	767	746	800
Total Complaint Investigations Acute Care (b) .....	1,135	964	1,135	1,200
Acute Health Care facilities licensed .....	1,002	1,035	1,060	1,080
Acute Health Care facilities license applications processed ..	1,217	1,340	1,350	1,400
Acute Health Care facilities enforcement actions/penalties ..	30	32	35	35
Certificate of Need (CN) applications processed .....	59	109	70	75
<b>Health Care Systems Analysis</b>				
Hospital charity care audits .....	327	320	320	312
Collection and analysis of hospital cost, financial, and utilization data				
By patient .....	4,200,000	4,200,000	4,200,000	4,200,000
By hospital .....	81	80	80	80
Hospital performance report – distribution .....	15,000	15,000	15,000	15,000
Cardiac surgery report – consumer .....	400	400	400	400

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	Actual FY 2007	Actual FY 2008	Revised FY 2009	Budget Estimate FY 2010
<b>PERSONNEL DATA</b>				
<b>Position Data</b>				
Filled Positions by Funding Source				
State Supported .....	79	115	101	104
Federal .....	94	103	98	98
All Other .....	99	47	43	43
Total Positions .....	272	265	242	245
Filled Positions by Program Class (a)				
Long Term Care Systems .....	136	203	184	186
Health Care Systems Analysis .....	136	62	58	59
Total Positions .....	272	265	242	245

**Notes:**

Actual payroll counts are reported for fiscal years 2007 and 2008 as of December and revised fiscal year 2009 as of January. The Budget Estimate for fiscal year 2010 reflects the number of positions funded.

(a) Fiscal year 2008 reflects a Department of Health and Senior Services reorganization between Long Term Care Systems & Health Care Systems Analysis.

(b) Beginning with fiscal year 2007, inspections and complaint investigations data reflect more detailed tracking as a result of utilizing an Automated Complaint Tracking System (ACTS).

**APPROPRIATIONS DATA  
(thousands of dollars)**

Orig. & (S)Supple- mental	Year Ending June 30, 2008			Total Available	Expended	Prog. Class.	Year Ending June 30, 2010		
	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies					2009 Adjusted Approp.	Requested	Recom- mended
<b>DIRECT STATE SERVICES</b>									
<b>Distribution by Fund and Program</b>									
5,762	2,897	718	9,377	8,859	06	4,798	4,798	4,798	4,798
2,682	5,224	-5,587	2,319	2,255	07	1,767	1,767	1,767	1,767
<b>8,444</b>	<b>8,121</b>	<b>-4,869</b>	<b>11,696</b>	<b>11,114</b>	<b>Total Direct State Services</b>		<b>6,565</b> (a)	<b>6,565</b>	<b>6,565</b>
<b>Distribution by Fund and Object</b>									
Personal Services:									
6,026	5,187 <sup>R</sup>	-2,105	9,108	9,105		4,435	4,435	4,435	4,435
Salaries and Wages									
<b>6,026</b>	<b>5,187</b>	<b>-2,105</b>	<b>9,108</b>	<b>9,105</b>	<b>Total Personal Services</b>		<b>4,435</b>	<b>4,435</b>	<b>4,435</b>
96	---	---	96	24		73	73	73	73
Materials and Supplies									
506	---	---	506	433		441	441	441	441
Services Other Than Personal									
200	---	---	200	161		200	200	200	200
Maintenance and Fixed Charges									
Special Purpose:									
---	2,764 <sup>R</sup>	-2,764	---	---	06	---	---	---	---
Long Term Care Systems									
979	---	---	979	925		979	979	979	979
Nursing Home Background Checks/Nursing Aide Certification Program									
600	133	---	733	466	06	400	400	400	400
Implement Patient Safety Act									
37	37	---	74	---		37	37	37	37
Additions, Improvements and Equipment									
<b>GRANTS-IN-AID</b>									
<b>Distribution by Fund and Program</b>									
201,462	---	-2,000	199,462	179,462	07	62,462	60,462	60,462	60,462
Health Care Systems Analysis									
<b>201,462</b>	<b>---</b>	<b>-2,000</b>	<b>199,462</b>	<b>179,462</b>	<b>Total Grants-in-Aid</b>		<b>62,462</b>	<b>60,462</b>	<b>60,462</b>
<b>Distribution by Fund and Object</b>									
Grants:									
201,462	---	-2,000	199,462	179,462					
Health Care Subsidy Fund Payments									
					07	60,962 <sup>(b)</sup>	60,462	60,462	60,462
						1,500 <sup>S</sup>			
<b>209,906</b>	<b>8,121</b>	<b>-6,869</b>	<b>211,158</b>	<b>190,576</b>	<b>Grand Total State Appropriation</b>		<b>69,027</b>	<b>67,027</b>	<b>67,027</b>

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OTHER RELATED APPROPRIATIONS									
Federal Funds									
18,702	5,259	---	23,961	13,713	Long Term Care Systems	06	19,493	19,493	19,493
94,650					Health Care Systems Analysis	07	97,050	97,050	97,050
<u>5,849<sup>S</sup></u>	<u>1,607</u>	<u>---</u>	<u>102,106</u>	<u>99,757</u>	<b>Total Federal Funds</b>		<u>116,543</u>	<u>116,543</u>	<u>116,543</u>
All Other Funds									
---	768	---	2,294	587	Long Term Care Systems	06	3,468	3,468	3,468
	1,526 <sup>R</sup>	---			Health Care Systems Analysis	07	53,375	53,375	53,375
---	7,416	-37,826	10,474	7,279	<b>Total All Other Funds</b>		<u>56,843</u>	<u>56,843</u>	<u>56,843</u>
---	<u>50,594</u>	<u>-37,826</u>	<u>12,768</u>	<u>7,866</u>	<b>GRAND TOTAL ALL FUNDS</b>		<u>242,413</u>	<u>240,413</u>	<u>240,413</u>
<u>329,107</u>	<u>65,581</u>	<u>-44,695</u>	<u>349,993</u>	<u>311,912</u>					

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

(a) The fiscal year 2009 appropriation has been adjusted for the allocation of salary program, the annualized savings from the Early Retirement Incentive program and continued attrition, and the reallocation of procurement efficiencies.

**Notes -- Grants-In-Aid – General Fund**

(b) The fiscal year 2009 appropriation has been adjusted for the transfer of \$65,000,000 in funding for NJ FamilyCare children to the Department of Human Services. In addition, \$2,000,000 for the Infant Mortality Program has been transferred to the Family Health Services program class within the Department of Health and Senior Services, and \$2,000,000 for the Physician and Dentist Loan Redemption Program has been transferred to the Higher Education Student Assistance Authority in the Department of State.

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

There are appropriated such sums as are required 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.

**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 appropriated 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 Health Care Subsidy Fund Payments 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.

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).

Notwithstanding the provisions of any law or regulation to the contrary, as a condition of the receipt of any monies hereunder by an acute care hospital that is requesting an advance of Charity Care/Medicaid or payments from the “Health Care Facilities Improvement Fund” or any payments over and above this Act, the hospital shall comply with a request by the Commissioner of the Department of Health and Senior Services for a review of its finances and operations to ensure that access to health care is maintained and public funds are utilized for their intended purpose, the cost of such review to be borne by the acute care hospital, and shall comply with any financial and operational performance requirements imposed by the Commissioner as deemed necessary as a result of the review.

Notwithstanding the provisions of any law or regulation to the contrary, the appropriation for Health Care Subsidy Fund Payments shall be conditioned upon the following provisions: (1) in State Fiscal Year (SFY) 2010, Charity Care subsidies shall be calculated pursuant to section 3 of P.L.2004, c.113 (C.26:2H-18.59i ), except that: (2) in paragraph (1) of subsection b., source data used shall be from calendar year 2008 for documented charity care claims data and hospital-specific gross revenue for charity care patients, and shall include all adjustments and void claims related to calendar year 2008 and any prior year submitted claim, as submitted by each acute care hospital or determined by the Department of Health and Senior Services (DHSS); (3) in paragraph (1) of subsection b., source data used for each hospital’s total gross revenue for all patients shall be from the Acute Care Hospital Cost Report as defined by Form E4, Line 1, Column E data and shall be according to Department of Health and Senior Services (DHSS) advance submission request dated February 23, 2009, as submitted by each acute care hospital, and source data used for Medicare Cost Report data shall be from calendar year 2007; (4) for eligible hospitals that failed to submit its total gross revenue for all patients from the Acute Care Hospital Cost Report as defined by Form E4, Line 1, Column E data according to DHSS advance submission request dated February 23, 2009, in paragraph (1) of subsection b. source data from calendar year 2007 shall be used for hospital-specific gross revenue for charity care patients and for hospital total gross revenue for all patients as defined by Form E4, Line 1, Column E; (5) each eligible hospital shall be assigned to one of three tiers based on its initial Relative Charity Care Percentage (RCCP) as calculated in paragraph (1) of

# HEALTH AND SENIOR SERVICES

subsection b. with Tier 1 hospitals having an initial RCCP greater than 8%, Tier 2 hospitals having an initial RCCP less than Tier 1 and greater than 3.6% and Tier 3 hospitals having an initial RCCP less than Tier 2; (6) the hospital-specific subsidy initially calculated in accordance of subsections a. and b. for each eligible hospital shall be reduced by 5% for Tier 1 hospitals, 49% for Tier 2 hospitals and 89% for Tier 3 hospitals; (7) for each eligible hospital the difference shall be calculated between its initial calculated SFY 2010 charity care subsidy and its total SFY 2009 charity care allocation; (8) if an eligible hospital's initial calculated SFY 2010 charity care subsidy is more than its total State fiscal year 2009 amount, the hospital-specific subsidy calculation for each eligible hospital shall be its total State fiscal year 2009 amount plus 50% of the difference calculated above; (9) if an eligible hospital's initial calculated SFY 2010 charity care subsidy is less than its total SFY 2009 amount, the hospital-specific subsidy calculation for each eligible hospital shall be its total SFY 2009 amount minus 50% of the difference calculated above; (10) the hospital-specific subsidy for University of Medicine and Dentistry of New Jersey (UMDNJ) shall be equal to its total State fiscal year 2009 amount; (11) if the hospital-specific subsidy calculated thus far for an eligible hospital is calculated to be more than 100 percent of its documented charity care for calendar year 2008, the hospital-specific subsidy for each hospital shall be reduced to 100 percent of its documented charity care; (12) the hospital-specific subsidy for an eligible hospital assigned to Tier 3 shall be equal to 5 percent of its documented charity care for calendar year 2008. The resulting number will constitute each eligible hospital's SFY 2010 Charity Care subsidy allocation. A proportionate increase will be applied to all hospitals except UMDNJ and eligible hospitals assigned to Tier 3 if necessary such that the calculated SFY 2010 Charity Care subsidy allocation for all hospitals totaled shall not exceed \$605,000,000. Each eligible hospital's SFY 2010 Charity Care subsidy allocation as calculated above shall be reduced by one-twelfth for payments payable in SFY 2010. Each eligible hospital that received an SFY 2009 Charity Care subsidy allocation shall receive an amount payable in SFY 2010 equal to one-twelfth of their SFY 2009 Charity Care subsidy allocation, except for any hospital's SFY 2009 Charity Care subsidy allocation that was fully paid as calculated in SFY 2009.

Of the amount hereinabove appropriated for Health Care Subsidy Fund Payments, any amounts not allocated to a hospital-specific SFY 2010 Charity Care subsidy is appropriated, subject to the approval of the Director of the Division of Budget and Accounting, to the Health Care Stabilization Fund established pursuant to P.L. 2008, c.33 and applied as set forth in such act. Combined funding for Charity Care and the Health Care Stabilization Fund shall not exceed \$645,000,000.

Notwithstanding the provisions of any law or regulation to the contrary, any funds remaining as the result of closure of a hospital, eligible to receive Disproportionate Share Hospital (DSH) funds, shall be redistributed at the discretion of the Commissioner of the Department of Health and Senior Services. Factors the Commissioner will consider shall include but are not limited to 1) maintenance of continued timely access to essential health services for persons eligible to participate in the New Jersey Hospital Care Payment Assistance Program (Charity Care) or 2) continued operation in the same or adjoining municipality as the closed hospital of an acute care hospital, eligible to receive DSH funds, and serving substantially the same eligible population, with notice of such redistribution provided to the Joint Budget Oversight Committee within 5 business days of each redistribution.

The amounts hereinabove appropriated for Health Care Subsidy Fund Payments are conditioned upon the following provision: the Department of Health and Senior Services shall review, examine and/or audit any and all financial information maintained by acute care hospitals to ensure appropriate use of public funds.

## 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, program evaluation; the Office of Minority Health; and a full range of centralized support services to the operating divisions including:

Financial and General Services—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—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—Provides personnel management and development, labor relations and affirmative action services for the Department.

# HEALTH AND SENIOR SERVICES

## EVALUATION DATA

	Actual FY 2007	Actual FY 2008	Revised FY 2009	Budget Estimate FY 2010
<b>PERSONNEL DATA</b>				
Affirmative Action Data				
Male Minority .....	163	170	153	153
Male Minority % .....	7.8	7.9	8.2	8.2
Female Minority .....	571	595	520	520
Female Minority % .....	27.4	27.6	27.9	27.9
Total Minority .....	734	765	673	673
Total Minority % .....	35.2	35.4	36.1	36.1
<b>Position Data</b>				
Filled Positions by Funding Source				
State Supported .....	88	78	68	65
Federal .....	15	13	10	10
All Other .....	120	121	116	114
Total Positions .....	223	212	194	189
Filled Positions by Program Class				
Administration and Support Services .....	223	212	194	189
Total Positions .....	223	212	194	189

**Notes:**

Actual payroll counts are reported for fiscal years 2007 and 2008 as of December and revised fiscal year 2009 as of January. The Budget Estimate for fiscal year 2010 reflects the number of positions funded.

## APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2008					Year Ending June 30, 2010				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2009 Adjusted Approp.	Requested	Recom- mended	
<b><u>DIRECT STATE SERVICES</u></b>									
<b>Distribution by Fund and Program</b>									
3,498	5	5,224	8,727	8,692	Administration and Support Services	99	3,135	3,135	3,135
<b>3,498</b>	<b>5</b>	<b>5,224</b>	<b>8,727</b>	<b>8,692</b>	<b>Total Direct State Services</b>		<b>3,135 (a)</b>	<b>3,135</b>	<b>3,135</b>
<b>Distribution by Fund and Object</b>									
Personal Services:									
1,377	5 R	5,224	6,606	6,579	Salaries and Wages		1,264	1,264	1,264
1,377	5	5,224	6,606	6,579	Total Personal Services		1,264	1,264	1,264
49	---	---	49	48	Materials and Supplies		49	49	49
488	---	---	488	488	Services Other Than Personal		238	238	238
Special Purpose:									
1,500	---	---	1,500	1,493	Office of Minority and Multicultural Health		99	1,500	1,500
84	---	---	84	84	Affirmative Action and Equal Employment Opportunity		99	84	84
<b><u>CAPITAL CONSTRUCTION</u></b>									
<b>Distribution by Fund and Program</b>									
---	11	---	11	---	Administration and Support Services	99	---	---	---
---	<b>11</b>	---	<b>11</b>	---	<b>Total Capital Construction</b>		---	---	---
<b>Distribution by Fund and Object</b>									
Division of Management and Administration									
---	11	---	11	---	Information Processing Network - Infrastructure Upgrade		99	---	---
<b>3,498</b>	<b>16</b>	<b>5,224</b>	<b>8,738</b>	<b>8,692</b>	<b>Grand Total State Appropriation</b>		<b>3,135</b>	<b>3,135</b>	<b>3,135</b>



# HEALTH AND SENIOR SERVICES

## EVALUATION DATA

	Actual FY 2007	Actual FY 2008	Revised FY 2009	Budget Estimate FY 2010
<b>PROGRAM DATA</b>				
<b>Medical Services for the Aged</b>				
Nursing Home Services:				
Per diem .....	\$162.05	\$168.60	\$173.67	\$173.67
Patient days .....	10,612,083	10,640,443	10,693,645	10,767,000
Gross annual cost (a) .....	\$1,719,671,311	\$1,794,008,010	\$1,857,144,000	\$1,869,884,000
Medical Day Care Services:				
Per diem .....	\$84.49	\$91.30	\$95.13	\$76.32
Total days .....	2,018,495	2,119,103	2,267,440	2,312,789
Gross annual cost .....	\$170,537,829	\$193,471,243	\$215,702,000	\$176,502,000
Global Budget for Long Term Care (b):				
Clients Served .....	8,775	10,912	11,669	12,252
Gross annual cost .....	\$109,672,111	\$129,518,147	\$149,634,000	\$165,234,000
<b>Pharmaceutical Assistance to the Aged and Disabled</b>				
Pharmaceutical Assistance to the Aged (PAA) Only:				
Average monthly eligibles .....	11,088	10,219	9,980	9,750
Average monthly prescriptions per eligible .....	2.01	2.15	2.16	2.18
Cost per prescription (excludes cost sharing) .....	\$20.68	\$24.30	\$24.75	\$25.10
Annual Cost .....	\$5,539,403	\$6,408,437	\$6,403,000	\$6,403,000
Pharmaceutical Assistance to the Aged & Disabled (PAAD) Only:				
Aged				
Average monthly eligibles .....	138,084	130,051	126,788	126,338
Average monthly prescriptions per eligible .....	2.66	2.84	2.79	2.85
Cost per prescription (excludes cost sharing) .....	\$35.52	\$37.56	\$37.23	\$37.17
Gross Cost PAAD Program (Aged only) .....	\$156,407,068	\$166,248,157	\$158,036,429	\$160,583,700
Disabled				
Average monthly eligibles .....	28,509	28,563	28,904	29,128
Average monthly prescriptions per eligible .....	3.04	3.23	3.29	3.29
Cost per prescription (excludes cost sharing) .....	\$50.12	\$50.87	\$50.69	\$49.06
Gross Cost PAAD Program (Disabled only) .....	\$52,135,689	\$56,352,366	\$57,848,571	\$56,421,300
Total State PAAD Costs				
Prescription drug expenses .....	214,082,161	229,008,960	222,288,000	223,408,000
Payments for Medicare Part D monthly premiums .....	\$27,459,437	\$23,060,711	\$30,000,000	\$35,000,000
PAAD manufacturers' rebates (c) .....	(\$9,497,178)	(\$12,301,386)	(\$32,000,000)	(\$32,000,000)
PAAD recoveries .....	(\$21,240,447)	(\$8,138,449)	(\$6,000,000)	(\$6,000,000)
Net Annual Cost .....	\$210,803,973	\$231,629,835	\$214,288,000	\$220,408,000
Total General Fund .....	\$5,539,403	\$11,571,826	\$55,663,000	\$75,524,000
Total Casino Revenue Fund .....	\$205,264,570	\$220,058,009	\$158,625,000	\$144,884,000
<b>Senior Gold</b>				
Aged				
Average monthly eligibles .....	27,782	20,967	16,005	11,277
Average monthly prescriptions per eligible .....	2.05	2.14	1.75	1.71
Cost per prescription (excludes cost sharing) .....	\$17.60	\$19.68	\$21.17	\$21.11
Gross Cost Senior Gold Program (Aged only) .....	\$12,037,408	\$10,613,570	\$7,115,343	\$4,884,939
Disabled				
Average monthly eligibles .....	1,823	1,255	1,007	726
Average monthly prescriptions per eligible .....	2.28	2.46	1.99	1.87
Cost per prescription (excludes cost sharing) .....	\$29.87	\$34.33	\$36.37	\$34.07
Gross Cost Senior Gold Program (Disabled only) .....	\$1,487,769	\$1,272,392	\$874,657	\$555,061
Total State Senior Gold Costs				
Gross Annual Cost Senior Gold .....	\$13,525,177	\$11,885,962	\$7,990,000	\$5,440,000
Manufacturers' rebates .....	(\$527,716)	(\$1,236,106)	(\$1,000,000)	(\$1,000,000)
Net Annual Cost .....	\$12,997,461	\$10,649,856	\$6,990,000	\$4,440,000
Total General Fund (d) .....	\$12,997,461	\$10,649,856	\$6,990,000	\$4,440,000

# HEALTH AND SENIOR SERVICES

	Actual FY 2007	Actual FY 2008	Revised FY 2009	Budget Estimate FY 2010
<b>Programs for the Aged</b>				
Services and Service Units Provided:				
Congregate meals service . . . . .	1,946,178	1,883,163	1,884,000	1,884,000
Home delivered meals service . . . . .	3,932,211	4,080,623	4,081,000	4,081,000
Transportation service . . . . .	990,796	934,453	935,000	935,000
Information and referral service . . . . .	371,639	354,945	355,000	355,000
Telephone reassurance service . . . . .	259,223	252,397	253,000	253,000
Outreach service . . . . .	100,436	94,469	95,000	95,000
Personal care service . . . . .	777,294	744,476	745,000	745,000
Legal service . . . . .	26,907	24,881	25,000	25,000
Housekeeping and chore services . . . . .	416,542	427,961	428,000	428,000
Education and training services . . . . .	37,207	39,834	40,000	40,000
Case management service . . . . .	188,374	189,900	190,000	190,000
Physical health services . . . . .	74,393	77,206	78,000	78,000
Congregate Housing Services Program				
Persons served . . . . .	2,950	3,095	3,400	3,400
Site locations . . . . .	61	65	64	64
Adult Protective Services				
Persons served . . . . .	4,649	4,081	4,500	5,000
Health Insurance Counseling				
Clients served . . . . .	273,000	405,000	425,000	450,000
Security Housing and Transportation				
Clients served . . . . .	8,188	7,251	7,300	7,300
Gerontology Services				
Geriatric Patients Served . . . . .	3,514	3,362	3,700	3,800
Alzheimer's Day Care Units Provided . . . . .	62,506	56,348	60,000	60,000
Persons Trained in Gerontology . . . . .	4,000	3,507	4,000	4,200
Caregivers Receiving Respite Care . . . . .	2,429	2,289	2,350	2,350
<b>Office of the Public Guardian</b>				
Office of the Public Guardian				
Number of inquiries . . . . .	641	695	700	750
Number of cases handled . . . . .	2,556	2887	3,417	3,700
Number of court-appointed cases . . . . .	283	331	360	400
<b>PERSONNEL DATA</b>				
<b>Position Data</b>				
Filled Positions by Funding Source				
State Supported . . . . .	273	279	258	255
Federal . . . . .	162	118	119	118
All Other . . . . .	26	30	25	23
Total Positions . . . . .	461	427	402	396
Filled Positions by Program Class				
Medical Services for the Aged . . . . .	187	170	172	169
Pharmaceutical Assistance to the Aged & Disabled . . . . .	175	157	144	141
Lifeline . . . . .	18	15	11	12
Programs for the Aged . . . . .	46	44	37	37
Office of the Public Guardian . . . . .	35	41	38	37
Total Positions . . . . .	461	427	402	396

**Notes:**

Actual payroll counts are reported for fiscal years 2007 and 2008 as of December and revised fiscal year 2009 as of January. The Budget Estimate for fiscal year 2010 reflects the number of positions funded.

- (a) Includes expenses for Medicaid High Occupancy, federal Peer Grouping, and SOBRA funded in the General Fund.
- (b) Clients and expenditures in fiscal years 2007 and 2008 represent services provided through the Community Care Alternatives and Assisted Living Services programs. In fiscal years 2009 and 2010, these services and others are combined into the Global Budget for Long Term Care.
- (c) Rebates and recoveries earned by all portions of the PAA/PAAD program.
- (d) Excludes \$3,850,000 appropriated for administration.

# HEALTH AND SENIOR SERVICES

## APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2008					Year Ending June 30, 2010				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2009 Adjusted Approp.	Requested	Recom- mended	
<b>DIRECT STATE SERVICES</b>									
<b>Distribution by Fund and Program</b>									
5,097	12	5,712	10,821	8,420					
9,215	428	3,850	13,493	11,846					
---	11	---	11	---					
1,333	40	454	1,827	1,657					
462	10	319	791	713					
871	30	135	1,036	944					
850	---	-18	832	832					
<b>16,495</b>	<b>491</b>	<b>9,998</b>	<b>26,984</b>	<b>22,755</b>					
15,624	461	9,863	25,948	21,811					
871	30	135	1,036	944					
<b>Total Direct State Services</b>						<b>14,271</b>	<b>14,271</b>	<b>14,271</b>	<b>14,271</b>
<i>(From General Fund)</i>						<i>13,400<sup>(a)</sup></i>	<i>13,400</i>	<i>13,400</i>	<i>13,400</i>
<i>(From Casino Revenue Fund)</i>						<i>871</i>	<i>871</i>	<i>871</i>	<i>871</i>
<b>Distribution by Fund and Object</b>									
Personal Services:									
9,676	---	---	9,676	9,479					
796	---	-94	702	697					
---	---	---	---	---					
10,472	---	-94	10,378	10,176					
9,676	---	---	9,676	9,479					
796	---	-94	702	697					
163	---	-1	162	131					
14	---	---	14	11					
2,904	---	-14	2,890	2,879					
47	---	85	132	132					
437	---	-3	434	417					
2	---	---	2	2					
<b>Total Personal Services</b>						<b>8,612</b>	<b>8,612</b>	<b>8,612</b>	<b>8,612</b>
<i>(From General Fund)</i>						<i>7,816</i>	<i>7,816</i>	<i>7,816</i>	<i>7,816</i>
<i>(From Casino Revenue Fund)</i>						<i>796</i>	<i>796</i>	<i>796</i>	<i>796</i>
Materials and Supplies						163	163	163	163
Materials and Supplies (CRF)						14	14	14	14
Services Other Than Personal						2,540	2,540	2,540	2,540
Services Other Than Personal (CRF)						47	47	47	47
Maintenance and Fixed Charges						437	437	437	437
Maintenance and Fixed Charges (CRF)						2	2	2	2
Special Purpose:									
550	---	---	550	362					
---	---	2,012	2,012	393					
---	---	3,700	3,700	3,362					
1,723	413	---	2,136	786					
---	---	3,850	3,850	3,594					
---	5	144	149	102					
---	---	191	191	191					
143	10	128	281	216					
28	38	---	66	1					
12	25	---	37	---					
<b>GRANTS-IN-AID</b>									
<b>Distribution by Fund and Program</b>									
895,297	---	14,175	909,472	901,649					
866,168	---	14,160	880,328	873,758					
29,129	---	15	29,144	27,891					
<b>Medical Services for the Aged</b>						<b>947,488</b>	<b>942,958</b>	<b>942,958</b>	<b>942,958</b>
<i>(From General Fund)</i>						<i>919,658</i>	<i>915,128</i>	<i>915,128</i>	<i>915,128</i>
<i>(From Casino Revenue Fund)</i>						<i>27,830</i>	<i>27,830</i>	<i>27,830</i>	<i>27,830</i>

# HEALTH AND SENIOR SERVICES

Year Ending June 30, 2008					Year Ending June 30, 2010			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2009 Adjusted Approp.	Requested	Recommended
292,491	13,537	-23,865	282,163	250,653				
56,898	1,236	-23,850	34,284	18,294				
235,593	12,301	-15	247,879	232,359				
29,680	---	-326	29,354	29,354				
15,003	---	-191	14,812	14,812				
14,677	---	-135	14,542	14,542				
<b>1,217,468</b>	<b>13,537</b>	<b>-10,016</b>	<b>1,220,989</b>	<b>1,181,656</b>				
938,069	1,236	-9,881	929,424	906,864				
279,399	12,301	-135	291,565	274,792				
---	---	---	---	---				
<b>1,217,468</b>	<b>13,537</b>	<b>-10,016</b>	<b>1,220,989</b>	<b>1,181,656</b>				
					<b>GRANTS-IN-AID</b>			
					Pharmaceutical Assistance to the Aged and Disabled			
					24	256,228	228,698	228,698
					<i>(From General Fund)</i>			
						97,710	83,814	83,814
					<i>(From Casino Revenue Fund)</i>			
						158,518	144,884	144,884
					Programs for the Aged			
					55	30,245	30,200	30,200
					<i>(From General Fund)</i>			
						15,568	15,523	15,523
					<i>(From Casino Revenue Fund)</i>			
						14,677	14,677	14,677
						<b>1,233,961</b>	<b>1,201,856</b>	<b>1,201,856</b>
					<b>Total Grants-in-Aid</b>			
					<i>(From General Fund)</i>			
						1,032,936	1,014,465	1,014,465
					<i>(From Casino Revenue Fund)</i>			
						201,025	187,391	187,391
					<b>Less:</b>			
					Enhanced Federal Medicaid Matching Percentage			
						---	(319,071)	(319,071)
						<b>1,233,961</b>	<b>882,785</b>	<b>882,785</b>
					<b>Total State Appropriation</b>			
					<b>Distribution by Fund and Object</b>			
					Grants:			
28,858	---	---	28,858	27,751				
					Global Budget for Long Term Care (CRF) <sup>(b)</sup>			
40,540	---	-3,540	37,000	36,251	22	27,559	27,559	27,559
					Global Budget for Long Term Care <sup>(b)</sup>			
699,900	---	20,000	719,900	714,399	22	47,258	55,058	55,058
					Payments for Medical Assistance Recipients - Nursing Homes <sup>(c)</sup>			
96,851	---	800	97,651	97,457	22	682,672	747,942	747,942
					Medical Day Care Services			
9,000	---	---	9,000	9,000	22	59,000 <sup>S</sup>	88,251	88,251
					Medical Day Care Services			
19,877	---	-3,100	16,777	16,651	22	88,951	88,251	88,251
71	---	15	86	75	22	17,900 <sup>S</sup>		
200	---	---	200	65	22			
					Medicaid High Occupancy - Nursing Homes			
9,835	---	---	9,835	6,408	22	9,000	9,000	9,000
					ElderCare Initiatives <sup>(b)</sup>			
29,323	---	-20,000	9,323	---	22	14,877	14,877	14,877
					Home Care Expansion (CRF)			
235,593	12,301 <sup>R</sup>	-15	247,879	232,359	22	71	71	71
					Hearing Aid Assistance for the Aged and Disabled (CRF)			
17,740	1,236 <sup>R</sup>	-3,850	15,126	11,886	22	200	200	200
					Pharmaceutical Assistance to the Aged - Claims			
500	---	---	500	500	24	200	200	200
					Pharmaceutical Assistance to the Aged and Disabled - Claims			
9,629	---	---	9,629	9,629	24	6,403	6,403	6,403
2,500	---	-191	2,309	2,309	24	6,403	6,403	6,403
					Pharmaceutical Assistance to the Aged and Disabled - Claims			
565	---	---	565	565	24	76,967	69,121	69,121
					Pharmaceutical Assistance to the Aged and Disabled - Claims (CRF)			
867	---	---	867	867	24	158,518	144,884	144,884
2,724	---	-50	2,674	2,674	24	14,340	8,290	8,290
					Senior Gold Prescription Discount Program			
942	---	---	942	942	55	500	500	500
1,842	---	-85	1,757	1,757	55	10,579	10,579	10,579
					Demonstration Adult Day Care Center Program - Alzheimer's Disease			
					Purchase of Social Services			
					ElderCare Advisory Commission Initiatives			
					Community Provider Cost of Living Adjustment			
					Alzheimer's Disease Program			
					Demonstration Adult Day Care Center Program-Alzheimer's Disease (CRF)			
					Adult Protective Services			
					Adult Protective Services (CRF)			

# HEALTH AND SENIOR SERVICES

Year Ending June 30, 2008					Year Ending June 30, 2010				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2009 Adjusted Approp.	Requested	Recommended	
1,726	---	---	1,726	1,726	<b>GRANTS-IN-AID</b>				
5,359	---	---	5,359	5,359	55	1,726	1,726	1,726	
2,006	---	---	2,006	2,006	55	5,359	5,359	5,359	
1,020	---	---	1,020	1,020	55	2,006	2,006	2,006	
					55	1,020	1,020	1,020	
---	---	---	---	---	<i>Less:</i>				
							---	(319,071)	(319,071)
<b>STATE AID</b>									
<b>Distribution by Fund and Program</b>									
7,152	---	---	7,152	7,152	55	7,152	7,152	7,152	
<u>7,152</u>	<u>---</u>	<u>---</u>	<u>7,152</u>	<u>7,152</u>		<u>7,152</u>	<u>7,152</u>	<u>7,152</u>	
<b>Distribution by Fund and Object</b>									
2,498	---	---	2,498	2,498	55	2,498	2,498	2,498	
4,654	---	---	4,654	4,654	55	4,654	4,654	4,654	
<u>1,241,115</u>	<u>14,028</u>	<u>-18</u>	<u>1,255,125</u>	<u>1,211,563</u>	<b>Grand Total State Appropriation</b>		<u>1,255,384</u>	<u>904,208</u>	<u>904,208</u>
<b>OTHER RELATED APPROPRIATIONS</b>									
<b>Federal Funds</b>									
1,160,458	-89	-122	1,160,247	1,114,326	22	1,140,340			
						180,606 <sup>S</sup>	1,556,442	1,556,442	
47,242					55	47,474	47,474	47,474	
688 <sup>S</sup>	3,314	---	51,244	42,444	57	1,000	1,000	1,000	
<u>1,000</u>	<u>73</u>	<u>122</u>	<u>1,195</u>	<u>1,195</u>	<b>Total Federal Funds</b>		<u>1,369,420</u>	<u>1,604,916</u>	<u>1,604,916</u>
<b>All Other Funds</b>									
---	4,789	---	139,854	133,533	22	136,000	136,000	136,000	
---	135,065 <sup>R</sup>	---	99	1	55	150	150	150	
---	584 <sup>R</sup>	18	602	602	57	1,106	1,344	1,344	
<u>---</u>	<u>140,537</u>	<u>18</u>	<u>140,555</u>	<u>134,136</u>	<b>Total All Other Funds</b>		<u>137,256</u>	<u>137,494</u>	<u>137,494</u>
<u>2,450,503</u>	<u>157,863</u>	<u>---</u>	<u>2,608,366</u>	<u>2,503,664</u>	<b>GRAND TOTAL ALL FUNDS</b>		<u>2,762,060</u>	<u>2,646,618</u>	<u>2,646,618</u>

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

(a) The fiscal year 2009 appropriation has been adjusted for the allocation of salary program, the annualized savings from the Early Retirement Incentive program and continued attrition, and the reallocation of procurement efficiencies.

**Notes -- Grants-In-Aid -- General Fund**

(b) Amounts previously appropriated to Community Care Alternatives, Assisted Living Program, and a portion of the ElderCare Initiatives program are now funded within the Global Budget for Long Term Care pursuant to the federal approval of the comprehensive "Global Options" waiver program.

(c) The fiscal 2009 adjusted appropriation and the fiscal year 2010 recommended and requested amounts reflect a \$24 million offset for the Enhanced Peer Grouping initiative.

**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

## HEALTH AND SENIOR SERVICES

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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 \$1,860,000, 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**

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 Senior Services 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.

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 Division of Senior Services 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, 2009 are appropriated for payments to providers in the same program class from which the recovery originated.

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.

Subject to federal approval, the appropriations for those programs within the Medical Services for the Aged program classification are conditioned upon the Division of Medical Assistance and Health Services in the Department of Human Services and the Department of Health and Senior Services implementing 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.

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 the provisions of any law or regulation to the contrary, resources in the Global Budget for Long Term Care line item 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.

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

Notwithstanding the provisions of any law or regulation to the contrary, payments from the Payments for Medical Assistance Recipients–Nursing Homes account shall be made at 50% only for bedhold days at facilities with total occupancy rates at 90% or higher based on the occupancy percentage reported on each facility's latest cost report; however, nursing homes shall hold a bed for a Medicaid beneficiary who is hospitalized for up to ten days.

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.

The funds hereinabove appropriated for 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.

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 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 amount hereinabove appropriated 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 N.J.A.C.8:85 or any other law to the contrary, the amounts hereinabove appropriated for Payments for Medical Assistance Recipients – Nursing Homes shall be conditioned upon the following provision: no facility shall receive a per diem rate increase as the result of the annual rebasing of facility submitted costs or the inflation adjustment as defined in N.J.A.C.8:85–3.19. In addition, for those nursing facilities that have a cost reporting period ending on other than December 31, their Medicaid per diem reimbursement rates shall be adjusted to remove any inflation that is applicable to the State Fiscal Year 2010.
- 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.
- Notwithstanding the provisions of any law or regulation to the contrary, amounts hereinabove appropriated for Medical Day Care Services shall be conditioned upon the following provision: the per diem reimbursement rate for all adult Medical Day Care providers, regardless of provider type, shall be set at \$70.00.
- Notwithstanding the provisions of any law or regulation to the contrary, the amount hereinabove appropriated 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 amounts hereinabove appropriated for Payments for Medical Assistance Recipients–Nursing Homes, Medical Day Care Services, Global Budget for Long Term Care, and Medicaid High Occupancy–Nursing Homes 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.
- 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 \$6.00 for generic drugs and \$7.00 for brand name drugs.
- 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. Name brand manufacturers must provide 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 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 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 manufacturer’s rebates for PAAD claims paid as secondary to Medicare Part D and for the Senior Gold Prescription Discount Program shall apply only to the amount paid by the State under the PAAD and 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 single source brand name legend drugs and non-legend drugs shall be on the basis of Average Wholesale Price less a 16% discount and reimbursement for the cost of multisource generic drugs shall be in accordance with the federal Deficit Reduction Act of 2005 upon final adoption of regulations by the Department of Health and Human Services; (b) the current prescription drug dispensing fee structure set as a variable rate of \$3.73 to \$3.99 shall remain in effect through the current fiscal year, including the current increments for impact allowances, as determined by revised qualifying requirements, 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

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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 appropriated for the Pharmaceutical Assistance to the Aged and Disabled (PAAD) and Senior Gold Prescription Discount programs, 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, the appropriations for the Pharmaceutical Assistance to the Aged and Disabled and Senior Gold Prescription Discount Program are conditioned upon the Department of Health and Senior Services coordinating benefits with any voluntary prescription drug mail-order or specialty pharmacy in a Medicare Part D provider network or private Third Party Liability plan network for beneficiaries enrolled in a Medicare Part D program or beneficiaries with primary prescription coverage that requires use of mail order. The mail-order program may waive, discount, or rebate the beneficiary co-payment 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.

Notwithstanding the provisions of any law or regulation to the contrary, the amounts hereinabove appropriated for the Pharmaceutical Assistance to the Aged and Pharmaceutical Assistance to the Aged and Disabled (PAAD) programs are 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 Prescription Discount 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 Prescription Discount 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) and Senior Gold Prescription Discount Program recipients, no funds hereinabove appropriated to the PAAD or Senior Gold accounts shall be expended for any individual unless the individual enrolled in the PAAD or Senior Gold Program provides all data 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 amount hereinabove appropriated for the Pharmaceutical Assistance to the Aged, Pharmaceutical Assistance to the Aged and Disabled, and Senior Gold Prescription Discount 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 Medicare Advantage Prescription Drug 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, 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 to be limited to, the following actions: pursuit of appeals, grievances, or coverage determinations.

Notwithstanding the provisions of any law or regulation to the contrary, no amounts hereinabove appropriated for the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program or the Senior Gold Prescription Discount Program shall be expended to cover medications not on the formulary of a PAAD or Senior Gold beneficiary's Medicare Part D plan. This exclusion shall not apply to those drugs covered by PAAD and Senior Gold which are specifically excluded by the Medicare Modernization Act (MMA) of 2003. In addition, this exclusion shall not impact the beneficiary's rights, guaranteed by the MMA of 2003, to appeal the medical necessity of coverage for drugs not on the formulary of a Medicare Part D plan.

Notwithstanding the provisions of any law or regulation to the contrary, no amounts hereinabove appropriated for the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program or the Senior Gold Prescription Discount Program shall be expended for diabetic testing materials and supplies which are covered under the federal Medicare Part B program, or for vitamins, cough/cold medications, drugs used for the treatment of erectile dysfunction, or cosmetic drugs including but not limited to: drugs used for baldness, weight loss, and skin conditions.

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, 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 Division of Senior Services.

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.

In order to permit flexibility in implementing ElderCare Initiatives and the Global Budget for Long Term Care 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.

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

In addition to the amounts hereinabove appropriated, 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 Global Budget for Long Term Care or alternative programs, and only for so long as those individuals require services covered by the HCEP.

Notwithstanding the provisions of any law or regulation to the contrary, a sufficient portion of receipts generated or savings realized in Casino Revenue Fund, 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 \$6.00 for generic drugs and \$7.00 for brand name drugs.

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.

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.), 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. Name brand manufacturers must provide 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).

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- 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 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 shall continue during the current fiscal year, provided that the manufacturers' rebates for PAAD claims paid as secondary to Medicare Part D shall apply only to the amount paid by the State under the PAAD program. All revenues from such rebates during the current fiscal year are appropriated for the PAAD 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 in the Pharmaceutical Assistance to the Aged and Disabled program classification shall be expended for prescription claims with no Medicare Part D coverage except under the following conditions: (a) reimbursement for the cost of single source brand name legend drugs and non-legend drugs shall be on the basis of Average Wholesale Price less a 16% discount and reimbursement for the cost of multisource generic drugs shall be in accordance with the federal Deficit Reduction Act of 2005 upon final adoption of regulations by the Department of Health and Human Services; (b) the current prescription drug dispensing fee structure set as a variable rate of \$3.73 to \$3.99 shall remain in effect through the current fiscal year, including the current increments for impact allowances, as determined by revised qualifying requirements, 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 appropriations for the Pharmaceutical Assistance to the Aged and Disabled program are conditioned upon the Department of Health and Senior Services coordinating benefits with any voluntary prescription drug mail-order or specialty pharmacy in a Medicare Part D provider network or private Third Party Liability plan network for beneficiaries enrolled in a Medicare Part D program or beneficiaries with primary prescription coverage that requires use of mail order. The mail-order program may waive, discount, or rebate the beneficiary co-payment 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.
- 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, the amount hereinabove appropriated 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 Medicare Advantage Prescription Drug plan. If any beneficiary declines enrollment in any Medicare Part D plan, that beneficiary shall be barred from all benefits of the PAAD program.
- Notwithstanding the provisions of any law or regulation to the contrary, the amount hereinabove appropriated for the Pharmaceutical Assistance to the Aged and Disabled (PAAD) 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 Global Budget for Long Term Care 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.

Notwithstanding the provisions of any law or regulation to the contrary, no amounts hereinabove appropriated for the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program shall be expended to cover medications not on the formulary of a PAAD beneficiary's Medicare Part D plan. This exclusion shall not apply to those drugs covered by PAAD which are specifically excluded by the Medicare Modernization Act (MMA) of 2003. In addition, this exclusion shall not impact the beneficiary's rights, guaranteed by the MMA of 2003, to appeal the medical necessity of coverage for drugs not on the formulary of a Medicare Part D plan.

Notwithstanding the provisions of any law or regulation to the contrary, no amounts hereinabove appropriated for the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program shall be expended for diabetic testing materials and supplies which are covered under the federal Medicare Part B program, or for vitamins, cough/cold medications, drugs used for the treatment of erectile dysfunction, or cosmetic drugs including but not limited to: drugs used for baldness, weight loss, and skin conditions.

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, \$500,000 shall be charged to the Casino Simulcasting Fund.

Notwithstanding the provisions of any other law or regulation to the contrary, persons receiving services through the Demonstration Adult Day Care Center Program – Alzheimer's Disease may receive services if appropriate medical documentation is provided to the Department of Health and Senior Services to justify those expenditures. A medical day services provider that is providing services through the Demonstration Adult Day Care Center Program – Alzheimer's Disease shall be reimbursed at not less than 85% of the free-standing Adult Day Medical Medicaid day rate. A social day services provider that is providing services through the program shall be reimbursed at not less than 70% of the free-standing Adult Day Medical Medicaid day rate. A medical or social day services provider that is providing services through the program shall not be subject to the 25% matching requirement set forth in section 3 of P.L.1988, c.114 (C.26:2M-11) or the requirement to submit a cost proposal to the Department of Health and Senior Services as set forth in N.J.A.C.8:92-3.2. The Demonstration Adult Day Care Center Program – Alzheimer's Disease shall reimburse the agency the difference between the client co-pay and the agreed upon rate. The Department of Health and Senior Services shall authorize enrollment of persons in the Demonstration Adult Day Care Center Program – Alzheimer's Disease for a maximum of three days per week. The Department shall not require participants in the program to pay for services provided through the program in excess of the amounts currently required under N.J.A.C.8:92-1.1. et. seq.

### DEPARTMENT OF HEALTH AND SENIOR SERVICES

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

Consistent with the provisions of P.L.2005, c.237, \$40,000,000 from the surcharge on each general hospital and each specialty heart hospital 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 2009 is appropriated, and notwithstanding the provision of P.L.2005, c.237 or any law or regulation to the contrary, an amount not to exceed \$3,000,000 is appropriated from the unexpended balance of such funds, subject to the approval of the Director of the Division of Budget and Accounting, to provide one time grants to federally qualified health centers in financial distress, as shall be determined by the Commissioner of Health and Senior Services, for the purpose of maintaining adequate access to healthcare within the State; provided further, however, that such one time grants shall only be awarded pursuant to procedure for applications, criteria for eligibility, qualifications of applicants and any other relevant information as shall be established by the Commissioner. The qualifications shall include an agreement by a recipient that the recipient shall allow the Commissioner to review its finances and operational performance to ensure that access to health care is maintained and public funds are utilized for their intended purpose.

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 a plan prepared by the Department and approved by 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.

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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 appropriated, 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.