

Title 26.
Chapter 2H.
Part XIV. (New)
Medical Home
Care
§1
C.26:2H-170
and Note to
C.52:14-17.27
and 52:14-17.46.3
§2
Note to §1

P.L. 2024, CHAPTER 225, *approved January 8, 2024*
Senate, No. 3969 (*First Reprint*)

1 AN ACT concerning health care services funded by a public
2 employer for its employees and their dependents and
3 supplementing Title 17B of the New Jersey Statutes.

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

7
8 1. Notwithstanding any provision of law or regulation to the
9 contrary, a health care provider that is managing a medical home,
10 pursuant to a contract with a public employer, for public employees
11 and their dependents who are covered by the employer's health
12 benefits program or plan may:

13 (a) provide a credit to the public employer toward the cost of the
14 contract awarded by the public employer to the health care provider
15 to manage a medical home model for health care services for the
16 public employees and their dependents; and

17 (b) refer public employees and their dependents, who receive
18 services through the medical home model to other providers with
19 whom the health care provider has a contractual relationship.

20 If provided, the amount of the credit permitted toward the cost of
21 the contract shall not exceed the amount of the payments received
22 by the health care provider from the health benefits program or plan
23 for claims submitted for provider services rendered to public
24 employees and their dependents.

25 ¹No such contract shall include any provision conditioning the
26 retention, renewal, or continued validity of the contract on the
27 ability of any party to the contract to pay or receive referral fees for
28 services covered by the contract.

29 A health care provider that has entered into such a contract shall
30 retain an independent, third-party accounting firm, at the provider's

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly AFI committee amendments adopted December 11, 2023.

1 expense, to conduct an annual audit of all financial records related
2 to billing and receipt of payments from the applicable health
3 benefits program or plan received by the provider and credited to
4 the public employer for compliance with this section. A
5 certification that such an audit has been completed, and the results
6 thereof, shall be provided to the Division of Consumer Affairs, in
7 the Department of Law and Public Safety, within 30 days of
8 completion.

9 Beginning January 1, 2024, a public employer that participates in
10 the State Health Benefits Program, established pursuant to
11 P.L.1961, c.49 (C.52:14-17.25 et seq.), or the School Employees’
12 Health Benefits Program, established pursuant to sections 31
13 through 41 of P.L.2007, c.103 (C.52:14-17.46.1 through
14 C.52:14-17.46.11), shall receive approval from the appropriate
15 commission governing the program prior to entering into a new
16 contract or an extension or renewal of an existing contract covered
17 by this section.¹

18 Nothing in this section shall preclude the provider from billing
19 the health benefits program or plan on a fee-for-service basis when
20 such payments by the health benefits program or plan are used to
21 apply a credit toward the cost of the contract.

22 As used in this section “medical home” means on-site
23 physicians, nurses, and pharmacy and laboratory services, provided
24 at no cost to public employees and their dependents, when the
25 medical staff receive salaries and services are not provided on a fee-
26 for-service basis and when primary care, care coordination through
27 the use of health information technology and chronic disease
28 registries, and referrals for specialist care are provided.

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30 2. This act shall take effect immediately and shall be
31 retroactive to July 1, 2022.

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37 Allows for credit against contract cost for primary care services
38 managed by health care provider for public employees and their
39 dependents; allows referrals to other providers that have contractual
relationship with such health care provider.