

DEPARTMENT OF HEALTH AND SENIOR SERVICES

OVERVIEW

Mission

The mission of the Department of Health and Senior Services is to improve health through leadership and innovation.

Goals

The Department seeks 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 best practices, inspecting and monitoring health care facilities and services, improving the delivery system and supporting our safety net institutions as well as 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 and HIV and AIDS related services.
- Implement scientific, evidence-based primary and secondary prevention programs designed to decrease mortality from health conditions such as heart disease, cancer, obesity, and stroke 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 2012 Budget for the Department of Health and Senior Services (DHSS) totals \$1.269 billion, a decrease of \$9.1 million, or 0.7% under the fiscal 2011 adjusted appropriation of \$1.279 billion. This budget recommendation includes \$253 million to replace federal stimulus funding. If federal stimulus funding is added to the fiscal 2011 adjusted appropriation, the overall fiscal 2012 budget recommendation would be \$227 million or 15.1% lower than fiscal 2011.

The budget recommendation contains \$75 million in savings from a comprehensive waiver that would allow the State to redesign and manage its Medicaid program in a manner that creates efficiencies and better manages care.

Health Services

The Fiscal 2012 Budget continues funding for the Early Childhood Intervention Program (ECI). Funding of \$100.5 million is recommended to address the expanding needs of the developmentally disabled under three years of age. Eligibility standards and co-payment requirements will remain unchanged.

The Fiscal 2012 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 2012 is expected to be 413,000. The budget recommends an increase of \$1.4 million to fund additional FQHC visits; however, the per-visit payment rate will be reduced to save

\$4.6 million. Total recommended funding for uninsured FQHC visits is \$41.8 million.

Senior Services

The Fiscal 2012 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. No changes in co-payment or deductible are recommended, ensuring that clients of the program will retain the same eligibility benefits received this year.

The Budget also includes funding for the Senior Gold Program, which 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 co-payment and 50% of the remaining cost of the drug, which is the same as the current policy.

The PAAD and Senior Gold programs continue to coordinate coverage with the federal Medicare Part D drug assistance program. Approximately 151,796 PAAD and Senior Gold beneficiaries are enrolled in a Medicare Part D plan that is based on their prescription drug utilization. The Part D enrollment effort in PAAD has resulted in significant savings for the State.

The Fiscal 2012 Budget continues funding for the Global Budget for Long Term Care, which provides community-based services previously funded through the Community Care Alternatives, Assisted Living and ElderCare Initiatives appropriations.

The amount available to support nursing home rates is reduced by 3%, saving the State \$25 million. The State will save an additional \$7.5 million by not paying nursing homes to hold patients' beds open while they are temporarily away from the facility due to hospitalization or therapy; however, nursing facilities will still be required to hold these beds for 10 days should the patients return during that period. Additionally, the budget recommendation recognizes that facility administrative costs should be similar regardless of the type of patient treated and reduces the administrative reimbursement rate for Special Care Nursing Facilities for a savings of \$4.7 million.

A co-payment of \$3 per day with a monthly cap of \$25 will be imposed for adult medical day care program participants for a savings of \$1.9 million. In addition, medical day care services previously provided only on a fee-for-service basis will now be managed through the recipient's HMO.

Health Planning and Evaluation

The Fiscal 2012 Budget recommends a Charity Care allocation of \$675 million, which is an increase of \$10 million over the fiscal 2011 level. The budget also includes a new Charity Care distribution formula to improve predictability of annual State funding and increase efficiency by streamlining administrative procedures for hospitals. This increase, when combined with additional funding for the Graduate Medical Education program within the Department of Human Services, will provide a net increase in State hospital funding of \$20 million.

The Fiscal 2012 recommendation for the Health Care Stabilization Fund is unchanged at \$30 million. The Stabilization Fund was created in fiscal year 2009 to provide funding to facilities to maintain access to health care services.

The State will no longer pass through \$11 million in federal matching funds to Hoboken Hospital. The hospital, once government owned, is being sold to a non-governmental entity and, pursuant to federal rules, no longer will be eligible to receive these matching funds. Ending this payment will allow the State to receive federal matching funds itself to offset the cost of Charity Care.

HEALTH AND SENIOR SERVICES

DEPARTMENT OF HEALTH AND SENIOR SERVICES SUMMARY OF APPROPRIATIONS BY FUND (thousands of dollars)

Year Ending June 30, 2010					Year Ending June 30, 2012			
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Expended		2011 Adjusted Approp.	Requested	Recommended
GENERAL FUND								
62,244	14,164	15,744	92,152	88,166	Direct State Services	53,552	52,216	52,216
996,110	37,276	-17,135	1,016,251	923,580	Grants-In-Aid	1,122,733	1,119,822	1,119,822
9,552	---	---	9,552	8,624	State Aid	7,152	7,152	7,152
---	2	---	2	---	Capital Construction	---	---	---
1,067,906	51,442	-1,391	1,117,957	1,020,370	Total General Fund	1,183,437	1,179,190	1,179,190
CASINO REVENUE FUND								
871	33	95	999	944	Direct State Services	871	871	871
171,592	40,554	-95	212,051	211,129	Grants-In-Aid	94,290	89,412	89,412
172,463	40,587	---	213,050	212,073	Total Casino Revenue Fund	95,161	90,283	90,283
1,240,369	92,029	-1,391	1,331,007	1,232,443	Total Appropriation, Department of Health and Senior Services	1,278,598	1,269,473	1,269,473

SUMMARY OF APPROPRIATIONS BY PROGRAM (thousands of dollars)

Year Ending June 30, 2010					Year Ending June 30, 2012			
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Expended		2011 Adjusted Approp.	Requested	Recommended
DIRECT STATE SERVICES - GENERAL FUND								
Health Services								
1,323	1,740	-1,018	2,045	2,027	Vital Statistics	1,323	1,323	1,323
2,168	---	2,810	4,978	4,035	Family Health Services	2,168	2,168	2,168
20,781	2,489	4,583	27,853	27,291	Public Health Protection Services	11,600	10,679	10,679
13,371	1,210	-1,383	13,198	12,068	Laboratory Services	15,397	15,033	15,033
1,501	314	1,145	2,960	2,910	AIDS Services	1,458	1,458	1,458
39,144	5,753	6,137	51,034	48,331	Subtotal	31,946	30,661	30,661
Health Planning and Evaluation								
4,798	2,409	543	7,750	7,558	Long Term Care Systems	4,598	4,598	4,598
1,767	5,346	-4,829	2,284	2,246	Health Care Systems Analysis	1,651	1,651	1,651
6,565	7,755	-4,286	10,034	9,804	Subtotal	6,249	6,249	6,249
Health Administration								
3,135	3	4,502	7,640	7,466	Administration and Support Services	4,331	4,280	4,280
Senior Services								
4,602	---	5,645	10,247	9,679	Medical Services for the Aged	3,951	3,951	3,951
7,801	641	3,555	11,997	11,723	Pharmaceutical Assistance to the Aged and Disabled	6,078	6,078	6,078
---	11	---	11	11	Lifeline	---	---	---
363	1	191	555	518	Programs for the Aged	363	363	363
634	---	---	634	634	Office of the Public Guardian	634	634	634
13,400	653	9,391	23,444	22,565	Subtotal	11,026	11,026	11,026
62,244	14,164	15,744	92,152	88,166	Total Direct State Services - General Fund	53,552	52,216	52,216

HEALTH AND SENIOR SERVICES

Year Ending June 30, 2010					Year Ending June 30, 2012			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2011 Adjusted Approp.	Requested	Recom- mended
					DIRECT STATE SERVICES - CASINO REVENUE FUND			
					Senior Services			
871	33	95	999	944	Programs for the Aged	871	871	871
871	33	95	999	944	<i>Subtotal</i>	871	871	871
871	33	95	999	944	<i>Total Direct State Services - Casino Revenue Fund</i>	871	871	871
63,115	14,197	15,839	93,151	89,110	TOTAL DIRECT STATE SERVICES	54,423	53,087	53,087
					GRANTS-IN-AID - GENERAL FUND			
					Health Services			
127,604	323	-3,923	124,004	110,235	Family Health Services	113,565	130,728	130,728
60,022	33,866	-4,209	89,679	66,998	Public Health Protection Services	43,099	42,922	42,922
35,078	2,640	-1,180	36,538	30,908	AIDS Services	38,871	35,160	35,160
222,704	36,829	-9,312	250,221	208,141	<i>Subtotal</i>	195,535	208,810	208,810
					Health Planning and Evaluation			
3,143	---	1,568	4,711	3,757	Health Care Systems Analysis	69,093	27,202	27,202
3,143	---	1,568	4,711	3,757	<i>Subtotal</i>	69,093	27,202	27,202
					Senior Services			
650,901	263	9,454	660,618	644,484	Medical Services for the Aged	729,561	811,763	811,763
103,839	184	-18,654	85,369	53,392	Pharmaceutical Assistance to the Aged and Disabled	98,144	41,647	41,647
15,523	---	-191	15,332	13,806	Programs for the Aged	30,400	30,400	30,400
770,263	447	-9,391	761,319	711,682	<i>Subtotal</i>	858,105	883,810	883,810
996,110	37,276	-17,135	1,016,251	923,580	Total Grants-In-Aid - General Fund	1,122,733	1,119,822	1,119,822
					GRANTS-IN-AID - CASINO REVENUE FUND			
					Health Services			
529	---	---	529	528	Family Health Services	529	529	529
529	---	---	529	528	<i>Subtotal</i>	529	529	529
					Senior Services			
27,830	---	---	27,830	27,683	Medical Services for the Aged	120	20,120	20,120
128,556	40,554	---	169,110	169,110	Pharmaceutical Assistance to the Aged and Disabled	78,893	54,015	54,015
14,677	---	-95	14,582	13,808	Programs for the Aged	14,748	14,748	14,748
171,063	40,554	-95	211,522	210,601	<i>Subtotal</i>	93,761	88,883	88,883
171,592	40,554	-95	212,051	211,129	Total Grants-In-Aid - Casino Revenue Fund	94,290	89,412	89,412
1,167,702	77,830	-17,230	1,228,302	1,134,709	TOTAL GRANTS-IN-AID	1,217,023	1,209,234	1,209,234
					STATE AID - GENERAL FUND			
					Health Services			
2,400	---	---	2,400	2,250	Public Health Protection Services	---	---	---
2,400	---	---	2,400	2,250	<i>Subtotal</i>	---	---	---

HEALTH AND SENIOR SERVICES

Year Ending June 30, 2010					Year Ending June 30, 2012			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		2011 Adjusted Approp.	Requested	Recommended
7,152	---	---	7,152	6,374	Senior Services			
					Programs for the Aged	7,152	7,152	7,152
7,152	---	---	7,152	6,374	<i>Subtotal</i>	7,152	7,152	7,152
9,552	---	---	9,552	8,624	<i>Total State Aid - General Fund</i>	7,152	7,152	7,152
9,552	---	---	9,552	8,624	TOTAL STATE AID	7,152	7,152	7,152
					CAPITAL CONSTRUCTION			
					Health Services			
---	2	---	2	---	Laboratory Services	---	---	---
---	2	---	2	---	<i>Subtotal</i>	---	---	---
---	2	---	2	---	TOTAL CAPITAL CONSTRUCTION	---	---	---
1,240,369	92,029	-1,391	1,331,007	1,232,443	Total Appropriation, Department of Health and Senior Services	1,278,598	1,269,473	1,269,473

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 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 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.
- 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.
- 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.
- To reduce death and disability by improving response to medical emergencies, by assuring the availability of trained personnel for emergency medical services.
- To ensure the timely identification and treatment of infants with biochemical or metabolic disorders, hearing impairments and/or birth defects.

PROGRAM CLASSIFICATIONS

- 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.
- Family Health Services.** Provides funding of specialized medical and rehabilitative services for handicapped children (R.S. 9:13-1 et seq.), 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.

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

PROGRAM DATA	Actual FY 2009	Actual FY 2010	Revised FY 2011	Budget Estimate FY 2012
Vital Statistics				
Searches	74,398	70,866	78,000	70,000
Certified Copies Issued	87,469	195,538	190,000	185,000
Family Health Services				
Agencies receiving health services grants	425	500	525	525
Handicapped Children				
Physically disabled children receiving services	48,456 ^(a)	48,600	48,700	48,800
Children newly registered with Special Child Health Services	7,275 ^(a)	10,144	9,500	9,500
Maternal and Child Health				
Infant mortality rate/1,000 live births	5.2	5.2	5.2	5.2
Infant born to mothers with no prenatal care/1,000 live births	11.0	11.0	11.0	11.0
Newborns screened for metabolic and genetic disorders ...	108,909 ^(a)	105,000	106,000	107,000
Number of infants to be followed	6,425	5,954	6,000	6,065
Number of infants in early intervention	20,617 ^(a)	21,758	22,934	23,934
HealthStart (prenatal)	27,134	28,500	29,000	30,000
Women assessed for alcohol use/abuse during pregnancy .	34,654	35,000	36,000	37,000
Women, Infants and Children (WIC) receiving services ...	294,471	298,799	305,000	310,000
Family Planning				
Women in reproductive years applying for and receiving services	136,364 ^(a)	125,000	85,000	75,000
Poison Control				
Children screened for lead poisoning	207,006	211,137	212,000	212,000
Number of lead poisoned children identified	1,560	1,377	1,300	1,300
Adult Health				
Adults served with Cystic Fibrosis	113	115	115	120

HEALTH AND SENIOR SERVICES

	Actual FY 2009	Actual FY 2010	Revised FY 2011	Budget Estimate FY 2012
Health Promotion				
Persons screened and educated for breast and cervical cancer	21,276	19,713	21,000	21,000
Number of renal patients served	1,699	1,700	1,700	1,700
Public Health Protection Services				
Cancer and Epidemiological Services				
Number of new cancer cases reported	98,635	91,389	100,000	100,000
Number of cumulative cancer reports in master file	1,841,496	1,932,885	2,032,885	2,132,885
Tuberculosis Control				
TB cases on register as of June 30	419	405	400	400
Visits to chest clinics	36,811	35,840	36,800	36,800
Percent of TB patients completing chemotherapy	91.0%	91.0%	91.0%	91.0%
Emergency Medical Services				
Mobile intensive care paramedics certified/recertified	969	957	975	975
Emergency Medical Technicians certified/recertified	8,600	8,712	8,700	8,700
Helicopter response missions	3,000	3,278	3,300	3,300
Mobile intensive care unit's patient charts audited	1,000	1,000	1,000	1,000
Ambulance/invalid services licensed	450	432	450	450
Ambulance/invalid vehicles licensed	3,200	3,556	3,700	4,000
EMT training agencies certified	70	80	80	80
Sexually Transmitted Diseases (STD)				
Percent of STD clinic patients receiving education about				
HIV infection	88%	85%	90%	90%
Reported cases of early syphilis	617	650	650	600
Syphilis cases (early and late) brought to treatment by				
Department of Health	906	1,100	1,000	1,000
Reported cases of gonorrhea	4,777	6,500	4,300	4,400
Gonorrhea cases brought to treatment by Department of				
Health	1,578	2,250	1,500	1,500
Visits to STD clinics	19,002	20,000	19,500	20,500
Patients receiving diagnostic services	11,653	12,500	12,000	12,225
Consumer Health				
Pet spay/neuter surgeries performed	2,612	5,000	5,000	5,000
Registration of dogs (rabies control)	475,000	475,000	475,000	475,000
Environmental and sanitary inspections and investigations conducted	5,000	4,500	4,000	4,000
Number of food, drug and cosmetic embargoes, destructions and recalls	85	80	80	70
Other Communicable Disease Control				
Number of disease cases reported	16,000	60,000	60,000	60,000
Number of investigations of outbreaks	150	250	300	250
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	120,000	120,000	120,000
Non-outbreak investigations	300	500	600	500
Public Employees Occupational Safety and Health				
Complaint inspections conducted	444	373	400	400
Telephone consultations	741	555	550	550
Educational seminars presented	112	78	60	50
Right to Know				
Fact sheets written or revised	120	103	90	90
Public and private workplaces inspected	128	128	128	128
Telephone consultations	3,500	3,500	3,200	3,200

HEALTH AND SENIOR SERVICES

	Actual FY 2009	Actual FY 2010	Revised FY 2011	Budget Estimate FY 2012
Occupational Health Surveillance				
Exposure and illness reports received	16,000	15,000	15,000	15,000
Educational materials mailed to public	5,000	1,000	1,000	1,000
In-depth industrial hygiene evaluations	20	15	15	15
Follow-up industrial hygiene evaluations	5	5	5	5
Work-related chronic disease and epidemiology studies ..	2	2	2	2
Worker interviews and mailings	600	500	400	400
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	10	8
Telephone consultations	4,500	4,500	4,000	3,650
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	11,050	11,050	11,000	10,000
Laboratory Services				
Bacteriology				
Specimens analyzed	104,874	121,490	121,611	121,854
Inborn Errors of Metabolism				
Specimens analyzed	130,191	125,010	130,000	131,500
Chemistry				
Occupational health samples examined	5	5	5	5
Sewage, stream & trade waste samples examined	14,927	18,866	14,000	14,000
Narcotic samples examined	109,333	105,430	107,800	107,800
Potable water samples examined	9,184	997	1,000	1,000
Food and milk samples examined	4,425	4,425	4,425	4,425
Clinical Laboratory Services				
Clinical laboratories licensed	2,470	2,667	2,675	2,700
Proficiency test samples (percent acceptable)	95%	95%	95%	95%
Proficiency test samples reviewed	57,500	28,750	28,750	28,750
Blood banks inspected	100	36	60	60
Clinical laboratory inspections	469	506	500	500
Blood banks licensed	317	320	340	340
Serology				
Routine screen tests for syphilis	22,239	22,400	22,400	22,400
Virology				
Specimens analyzed	32,067	39,900	35,000	35,000
AIDS Services				
Number of clients tested and counseled	75,000	75,000	105,000	105,000
Contact tracing of individuals	500	500	500	500
Hotline network calls	3,796	2,693	3,000	3,000
Living AIDS clients	18,977	19,410	19,410	19,410
HIV positive clients	17,451	17,916	17,916	17,916
Clients receiving early intervention services	8,500	8,500	8,500	8,500
Individuals reached/HIV training	1,318	1,407	1,350	1,350
AIDS Drug Distribution Program clients served	7,500	7,500	7,700	7,700
PERSONNEL DATA				
Position Data				
Filled Positions by Funding Source				
State Supported	280	258	241	249
Federal	494	487	466	471
All Other	117	117	107	115
Total Positions	891	862	814	835

HEALTH AND SENIOR SERVICES

Filled Positions by Program Class	Actual FY 2009	Actual FY 2010	Revised FY 2011	Budget Estimate FY 2012
Vital Statistics	45	42	40	40
Family Health Services	184	176	174	172
Public Health Protection Services	420	418	386	407
Laboratory Services	117	108	105	108
AIDS Services	125	118	109	108
Total Positions	891	862	814	835

Notes:

Actual payroll counts are reported for fiscal years 2009 and 2010 as of December and revised fiscal year 2011 as of January. The Budget Estimate for fiscal year 2012 reflects the number of positions funded. All Other includes positions supported by fees or other dedicated resources previously reported as State Supported.

(a) Revised to reflect finalized data.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2010					Year Ending June 30, 2012			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2011 Adjusted Approp.	Requested	Recommended
DIRECT STATE SERVICES								
Distribution by Fund and Program								
1,323	1,740	-1,018	2,045	2,027	01	1,323	1,323	1,323
2,168	---	2,810	4,978	4,035	02	2,168	2,168	2,168
20,781	2,489	4,583	27,853	27,291	03	11,600	10,679	10,679
13,371	1,210	-1,383	13,198	12,068	08	15,397	15,033	15,033
1,501	314	1,145	2,960	2,910	12	1,458	1,458	1,458
39,144	5,753	6,137	51,034	48,331		31,946^(a)	30,661	30,661
Distribution by Fund and Object								
Personal Services:								
14,326	3,365 ^R	389	18,080	18,080		14,952	14,952	14,952
Salaries and Wages								
14,326	3,365	389	18,080	18,080		14,952	14,952	14,952
2,229	1	---	2,230	2,123		2,229	2,229	2,229
3,192	313	2,380	5,885	5,376		3,543	3,543	3,543
153	---	29	182	165		1,606	1,606	1,606
Maintenance and Fixed Charges								
Special Purpose:								
87	---	---	87	87	02	87	87	87
90	---	---	90	86				
WIC Farmers Market Program								
300	---	---	300	292	02	90	90	90
Breast Cancer Public Awareness Campaign								
---	---	500	500	414	02	300	300	300
500	---	---	500	209	02	---	---	---
Identification System for Children's Health and Disabilities								
500	---	---	500	498	02	500	500	500
Autism Registry								
---	---	298	298	292	02	500	500	500
Governor's Council for Medical Research and Treatment of Autism								
1,450	---	---	1,450	1,450	02	---	---	---
Public Awareness Campaign for Black Infant Mortality								
---	---	---	---	---	02	---	---	---
Cancer Screening - Early Detection and Education Program								
---	---	---	---	---	03	260	---	---
New Jersey Domestic Security Preparedness								
---	---	4,000	4,000	4,000	03	---	---	---
Medical Emergency Disaster Preparedness for Bioterrorism								
400	---	-307	93	93	03	400	400	400
500	---	---	500	500	03	500	500	500
Cancer Registry								
Cancer Investigation and Education								

HEALTH AND SENIOR SERVICES

Year Ending June 30, 2010					Year Ending June 30, 2012				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2011 Adjusted Approp.	Requested	Recom- mended	
<u>DIRECT STATE SERVICES</u>									
---	---	218	218	217					
50	---	---	50	50	03	---	---	---	---
5,760	---	---	5,760	5,709	03	50	50	50	50
1,800	---	---	1,800	1,750	03	439	---	---	---
1,000	811	---	1,811	1,511	03	43	---	---	---
---	---	243	243	242	03	94	---	---	---
150	---	---	150	149	03	---	---	---	---
2,367	---	-243	2,124	1,991	03	150	150	150	150
200	---	-31	169	169	03	2,462	2,462	2,462	2,462
---	53	403	456	447	03	85	---	---	---
---	1,210 ^R	-1,210	---	---	03	---	---	---	---
1,800	---	---	1,800	1,792	08	---	---	---	---
640	---	---	640	639	08	364	---	---	---
1,650	---	-532	1,118	---	08	640	640	640	640
						2,652	2,652	2,652	2,652
<u>GRANTS-IN-AID</u>									
Distribution by Fund and Program									
128,133	323	-3,923	124,533	110,763	02	117,862	131,257	131,257	131,257
127,604	323	-3,923	124,004	110,235		117,333	130,728	130,728	130,728
529	---	---	529	528		529	529	529	529
60,022	33,866	-4,209	89,679	66,998	03	43,099	42,922	42,922	42,922
35,078	2,640	-1,180	36,538	30,908	12	38,871	35,160	35,160	35,160
223,233	36,829	-9,312	250,750	208,669		199,832	209,339	209,339	209,339
222,704	36,829	-9,312	250,221	208,141		199,303	208,810	208,810	208,810
529	---	---	529	528		529	529	529	529
---	---	---	---	---		---	---	---	---
223,233	36,829	-9,312	250,750	208,669		196,064	209,339	209,339	209,339
Less:									
						(3,768)	---	---	---
Grand Total Grants-in-Aid									
Distribution by Fund and Object									
Grants:									
7,590	323	---	7,913	7,228	02	---	---	---	---
1,245	---	---	1,245	1,236	02	---	---	---	---
---	---	---	---	---	02	26,756	26,756	26,756	26,756
2,516	---	---	2,516	2,446	02	---	---	---	---
488	---	---	488	488	02	---	---	---	---
379	---	---	379	379	02	---	---	---	---
35	---	---	35	34	02	---	---	---	---
529	---	---	529	528	02	529	529	529	529
6,113	---	-225	5,888	5,888	02	---	---	---	---
987	---	---	987	987	02	---	---	---	---
587	---	---	587	587	02	587	587	587	587

HEALTH AND SENIOR SERVICES

Year Ending June 30, 2010					Year Ending June 30, 2012				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2011 Adjusted Approp.	Requested	Recommended	
91,399	---	---	91,399	78,899	GRANTS-IN-AID				
---	---	---	---	---	02	86,648	100,493	100,493	
693	---	---	693	693	02	892	892	892	
950	---	---	950	950	02	---	---	---	
6,034	---	-1,268	4,766	4,695	02	---	---	---	
221	---	---	221	221	02	---	---	---	
317	---	---	317	317	02	---	---	---	
2,000	---	-1,625	375	375	02	2,000	2,000	2,000	
2,000	---	-2,000	---	---	02	450	---	---	
2,000	---	---	2,000	1,567	02	---	---	---	
50	---	-50	---	---	02	---	---	---	
2,000	---	---	2,000	2,000	02	---	---	---	
---	---	1,245	1,245	1,245	02	---	---	---	
1,784	---	---	1,784	1,784	03	---	---	---	
4,000	---	-4,000	---	---	03	---	---	---	
1,500	---	-218	1,282	1,246	03	1,200	1,200	1,200	
944	---	---	944	944	03	---	---	---	
16,509	---	9	17,587	17,587	03	18,218	18,041	18,041	
1,069 ^S	---	---	535	535	03	---	---	---	
535	---	---	18,000	18,000	03	18,000	18,000	18,000	
5,400	31,784	---	37,184	23,400	03	5,400	5,400	5,400	
10,000	2,082	---	12,082	3,221	03	---	---	---	
281	---	---	281	281	03	281	281	281	
---	73	---	73	---	12	---	---	---	
21,116	683	-1,180	20,619	18,108	12	21,651	21,651	21,651	
4,200	---	---	4,200	4,200	12	---	---	---	
9,762	1,884	---	11,646	8,600	12	17,220	13,509	13,509	
---	---	---	---	---	<i>Less:</i>				
---	---	---	---	---	<i>Enhanced Federal Medicaid Matching Percentage</i>				
---	---	---	---	---		(3,768)	---	---	
					STATE AID				
					Distribution by Fund and Program				
2,400	---	---	2,400	2,250	03	---	---	---	
2,400	---	---	2,400	2,250	Total State Aid				

HEALTH AND SENIOR SERVICES

Year Ending June 30, 2010					Year Ending June 30, 2012				
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Expended	Prog. Class.	2011 Adjusted Approp.	Requested	Recommended	
STATE AID									
Distribution by Fund and Object									
State Aid:									
2,400	---	-540	1,860	1,710	Public Health Priority Funding	03	---	---	---
---	---	540	540	540	Public Health Services State Match	03	---	---	---
CAPITAL CONSTRUCTION									
Distribution by Fund and Program									
---	2	---	2	---	Laboratory Services	08	---	---	---
---	2	---	2	---	Total Capital Construction				---
Distribution by Fund and Object									
Division of Public Health and Environmental Laboratories									
---	2	---	2	---	Improvements to Laboratories and Installed Equipment	08	---	---	---
264,777	42,584	-3,175	304,186	259,250	Grand Total State Appropriation		228,010	240,000	240,000
OTHER RELATED APPROPRIATIONS									
Federal Funds									
1,100	748	---	1,848	775	Vital Statistics	01	1,100	1,100	1,100
214,974	---	---	---	---	Family Health Services	02	233,055	223,506	223,506
11,766 ^S	40,394	14,584	281,718	200,948	Public Health Protection Services	03	94,246	93,951	93,951
73,304	7,768	4,224	128,655	86,523	Laboratory Services	08	5,877	5,877	5,877
43,359 ^S	1,066	60	7,003	3,254	AIDS Services	12	79,171	79,171	79,171
5,877	1,066	---	81,937	61,069	Total Federal Funds				
75,345	6,216	---	501,161	352,569	All Other Funds				
376 ^S	---	---	---	---	Vital Statistics	01	2,400	450	450
426,101	56,192	18,868	501,161	352,569	Family Health Services	02	73,506	73,392	73,392
---	483	---	1,457	307	Public Health Protection Services (b)	03	12,938	13,377	13,377
---	974 ^R	---	1,457	307	Laboratory Services	08	825	825	825
---	25,858	39,514	105,901	82,622	AIDS Services	12	25,000	25,000	25,000
---	40,529 ^R	8,940	18,116	13,621	Total All Other Funds				
---	4,918	---	184	8	GRAND TOTAL ALL FUNDS				
---	4,258 ^R	---	184	8	756,128				
---	184	---	184	8	756,649				
---	13,741	---	39,959	33,027	756,649				
---	26,218 ^R	---	39,959	33,027	756,649				
---	117,163	48,454	165,617	129,585	756,649				
690,878	215,939	64,147	970,964	741,404	756,649				

Notes -- Direct State Services - General Fund

(a) The fiscal year 2011 appropriation has been adjusted for the allocation of salary program, which includes \$80,000 in appropriated receipts.

Notes -- All Other Funds

(b) 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 2012. 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 to the contrary, there is appropriated \$500,000 from the Autism Medical Research and Treatment Fund for the operations of New Jersey's Autism Registry.

HEALTH AND SENIOR SERVICES

- 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.
- Notwithstanding the provisions of any law to the contrary, there is appropriated \$500,000 from the Autism Medical Research and Treatment Fund for the operations of the Governor's Council for Medical Research and Treatment of Autism.
- Receipts deposited in the Autism Medical Research and Treatment Fund are appropriated for the Governor's Council for Medical Research and Treatment of Autism, subject to the approval of the Director of the Division of Budget and Accounting.
- 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".
- 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.
- 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.
- Notwithstanding the provisions of any law or regulation to the contrary, \$1,000,000 from the Cancer Research Fund established pursuant to section 5 of P.L.1982, c.40 (C.54:40A-37.1) is transferred to the General Fund.
- The unexpended balance at the end of the preceding fiscal year in the Services Other Than Personal account in the Division of Public Health and Environmental Laboratories is appropriated for the costs of relocating the Public Health, Environmental and Agricultural Laboratory.
- Notwithstanding the provisions of subsection c. of section 6 of P.L.1983, c.6 (C.52:9U-6), subsection c. of section 5 of P.L.2003, c.200 (C.52:9EE-5), subsection c. section 5 of P.L.1999, c.201 (C.52:9E-5) and section 4 of P.L.1999, c.105 (C.30:6D-59) or any other law or regulation to the contrary, the amounts hereinabove appropriated to the New Jersey State Commission on Cancer Research, New Jersey State Commission on Brain Injury Research, New Jersey Commission on Spinal Cord Research, and the Governor's Council for Medical Research and Treatment of Autism are subject to the following condition: an amount from each appropriation, subject to the approval of the Director of the Division of Budget and Accounting, may be used to pay the salary and other benefits of one person who shall serve as Executive Director for all four entities, with the services of such person allocated to the four entities as shall be determined by the four entities.

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

- 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.
- 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 Maternal, Child and Chronic Health Services, 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.
- 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, 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.

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 August 2007 or the next most recent published edition of the New Jersey Early Intervention System Family Cost Participation Handbook.

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.26:2I-7.1) in connection with the Hospital Asset Transformation Program.

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.

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, South Jersey Program account are appropriated to the program for cancer-related capital equipment, design, engineering and construction expenses.

In addition to the amount hereinabove appropriated for Cancer Institute of New Jersey, South Jersey Program, an amount not to exceed \$11,143,923 is appropriated for construction of the comprehensive cancer center in South Jersey, subject to the approval of the Director of the Division of Budget and Accounting, provided that no monies from this appropriation shall be disbursed until all funding from all other sources has been used.

Of the amount hereinabove appropriated for the Surveillance, Epidemiology and End Results Expansion Program-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.

Of the amount hereinabove appropriated for AIDS Grants, savings realized from reduced transportation costs may be transferred to the AIDS Drug Distribution Program account, subject to the approval of the Director of the Division of Budget and Accounting.

Upon a determination by the Commissioner of Health and Senior Services, made in consultation with the State Treasurer, that additional State funding is necessary to reimburse centers for services to uninsured clients, the Director of the Division of Budget and Accounting shall authorize the appropriation of such sums as the commissioner determines are necessary for grants to federally qualified health centers.

Notwithstanding the provisions of any law or regulation to the contrary, no amounts hereinabove appropriated for the AIDS Drug Distribution Program shall be expended 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 and weight loss.

Notwithstanding the provisions of any law or regulation to the contrary, the amount hereinabove appropriated for the AIDS Drug Distribution Program is conditioned upon the following: individuals whose income does not exceed 300% of the federal poverty level shall be eligible for coverage for all AIDS-related drugs and all other drugs; individuals whose income exceeds 300% of the federal poverty level but does not exceed 500% of the federal poverty level shall be eligible only for AIDS-related drugs; and individuals whose income exceeds 500% of the federal poverty level shall not be eligible for any drugs pursuant to this appropriation.

Language Recommendations -- State Aid - General Fund

Notwithstanding the provisions of any law or regulation to the contrary, none of the monies appropriated to the Department of Health and Senior Services are appropriated to public health priority programs under P.L.1996, c.36 as amended (C.26:2F-1 et seq.).

HEALTH AND SENIOR SERVICES

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

OBJECTIVES

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

6. To develop analytical data on key hospital quality and outcome measures for dissemination to the public.

PROGRAM CLASSIFICATIONS

06. **Long Term Care Systems.** Conducts programs for on-site inspections, compliance and enforcement, certificate of need review, and licensing of health care facilities including Acute Care Hospitals, Adult and Pediatric Day Health Services, Ambulatory Surgery Centers, Assisted Living, Dialysis Centers, Federally Qualified Health Centers, Home Health Agencies, Nursing Homes, Primary Care Providers, Private Psychiatric Hospitals, and Rehabilitation Hospitals; maintains a state survey and federal certification program for nursing homes; investigates complaints received from consumers and other government agencies regarding health care facilities; develops new and revises existing licensing standards; certifies nurse aides in long term care facilities, including criminal background checks and training programs; issues assessments on ambulatory care centers and provides consumers and professionals with information on health care facilities. 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.
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

PROGRAM DATA	Actual FY 2009	Actual FY 2010	Revised FY 2011	Budget Estimate FY 2012
Long Term Care Systems				
Licensed health care facilities	790	798	810	815
Licensed nursing home administrators	1,014	1,078	1,090	1,100
Total licenses issued	883	856	920	930
Number of beds licensed	84,400	85,162	85,200	85,240
Total inspections Long Term Care	1,231	1,059	1,150	1,150
Total Complaint Investigations Long Term Care	1,797	1,502	1,550	1,550
Total federally certified non-state licensed facilities	8	8	8	8
Total federally certified non-state licensed beds	3,647	3,647	3,647	3,647
Administrative actions/penalties	30	46	30	25
Federal enforcement actions	1,298	1,123	1,100	1,100
Nurse Aide applications processed	20,115	21,330	21,000	21,000
Inspections of Acute Care Facilities	597	594	600	600
Total Complaint Investigations Acute Care	635	700	750	800
Acute Health Care facilities licensed	1,085	1,130	1,140	1,150
Acute Health Care facilities license applications processed	1,336	1,315	1,390	1,400
Acute Health Care facilities enforcement actions/penalties	35	13	15	15
Certificate of Need (CN) applications processed	55	51	40	40

HEALTH AND SENIOR SERVICES

	Actual FY 2009	Actual FY 2010	Revised FY 2011	Budget Estimate FY 2012
Health Care Systems Analysis				
Hospital charity care audits	303	298	296	288
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	78	74	73	72
Hospital performance report - distribution	15,000	15,000	400	350
Cardiac surgery report - consumer	400	400	400	300

PERSONNEL DATA

Position Data

Filled Positions by Funding Source

State Supported	99	95	86	87
Federal	100	97	90	90
All Other	44	41	39	39
Total Positions	243	233	215	216

Filled Positions by Program Class

Long Term Care Systems	182	178	164	164
Health Care Systems Analysis	61	55	51	52
Total Positions	243	233	215	216

Notes:

Actual payroll counts are reported for fiscal years 2009 and 2010 as of December and revised fiscal year 2011 as of January. The Budget Estimate for fiscal year 2012 reflects the number of positions funded.

**APPROPRIATIONS DATA
(thousands of dollars)**

Year Ending June 30, 2010					Year Ending June 30, 2012			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2011 Prog. Adjusted Class. Approp.	Requested	Recom- mended	
					<u>DIRECT STATE SERVICES</u>			
					Distribution by Fund and Program			
4,798	2,409	543	7,750	7,558	06	4,598	4,598	4,598
1,767	5,346	-4,829	2,284	2,246	07	1,651	1,651	1,651
6,565	7,755	-4,286	10,034	9,804	6,249		6,249	6,249
					Distribution by Fund and Object			
					Personal Services:			
4,435	5,346 ^R	-1,877	7,904	7,899		4,143	4,143	4,143
					Total Personal Services			
4,435	5,346	-1,877	7,904	7,899		4,143	4,143	4,143
73	---	---	73	7		73	73	73
441	---	---	441	431		441	441	441
200	---	---	200	142		176	176	176
					Special Purpose:			
---	2,409 ^R	-2,409	---	---	06	---	---	---
979	---	---	979	933				
400	---	---	400	392	06	979	979	979
37	---	---	37	---	06	400	400	400
					Additions, Improvements and Equipment			
						37	37	37
					<u>GRANTS-IN-AID</u>			
					Distribution by Fund and Program			
3,143	---	1,568	4,711	3,757	07	69,093	27,202	27,202
3,143	---	1,568	4,711	3,757	69,093		27,202	27,202

HEALTH AND SENIOR SERVICES

Year Ending June 30, 2010					Year Ending June 30, 2012				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2011 Adjusted Approp.	Requested	Recommended	
GRANTS-IN-AID									
Distribution by Fund and Object									
Grants:									
3,143	---	1,568	4,711	3,757	Health Care Subsidy Fund Payments	07	57,298		
							11,795 ^S	27,202	27,202
9,708	7,755	-2,718	14,745	13,561	Grand Total State Appropriation		75,342	33,451	33,451
OTHER RELATED APPROPRIATIONS									
Federal Funds									
19,493					Long Term Care Systems	06	19,493	19,493	19,493
357 ^S	2,432	---	22,282	10,930					
121,686					Health Care Systems Analysis	07	119,586	183,653	183,653
217 ^S	588	---	122,491	92,466	Total Federal Funds		139,079	203,146	203,146
141,753	3,020	---	144,773	103,396	All Other Funds				
	840				Long Term Care Systems	06	3,168	3,168	3,168
---	489 ^R	---	1,329	230					
	1,942				Health Care Systems Analysis	07	122,192	128,790	128,790
---	89,141 ^R	-42,745	48,338	45,907	Total All Other Funds		125,360	131,958	131,958
---	92,412	-42,745	49,667	46,137	GRAND TOTAL ALL FUNDS		339,781	368,555	368,555
151,461	103,187	-45,463	209,185	163,094					

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

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 section 3 of P.L.2004, c.113 (C.26:2H-18.59i) or any other law or regulation to the contrary, the appropriation for Health Care Subsidy Fund Payments in State Fiscal Year (SFY) 2012 shall be calculated using a multiple regression based formula such that: (a) source data used shall be from 1) Hospital Patient Discharge Uniform Billing Data (UB) from calendar year 2009 as released by the Department of Health and Senior Services (DHSS), 2) charity care subsidy allocation for SFY 2011 as announced by DHSS in July 2010, and 3) charity care subsidy allocation for SFY 2010 as announced by DHSS in July 2009 and including any subsequent reallocations; (b) the SFY 2010 charity care subsidy allocation shall be proportionately increased for each eligible hospital to increase the total subsidy to \$675,000,000 for this calculation purpose; (c) the SFY 2012 charity care subsidy allocation calculation for each eligible hospital shall begin with a constant value of \$674,269.40 and be increased by 88.38172% of its Charity Care subsidy allocation for SFY 2010 as calculated in subsection (b) above; (d) the SFY 2012 charity care subsidy allocation calculated thus far for each eligible hospital shall be increased by 2.06784% of the total charges from the payer category "self pay" in the calendar year 2009 UB data and then decreased by 0.12446% of the total charges from all payer categories in the calendar year 2009 UB data; (e) the SFY 2011 charity care subsidy allocation for each eligible hospital shall be divided by the total charges for the payer category "self pay" in the calendar year 2009 UB data to generate a ratio for this calculation purpose and then multiplied by a constant value of \$4,239,097; (f) the SFY 2012 charity care subsidy allocation calculated thus far in subsection (d) above for each eligible hospital shall be reduced by the amount calculated in subsection (e) above; (g) if the SFY 2012 charity care subsidy allocation calculated thus far is less than \$175,000 for any eligible hospital, the SFY 2012 charity care subsidy allocation thus far shall be increased to \$175,000; (h) the SFY 2012 charity care subsidy allocation calculated thus far for each eligible hospital shall be proportionately increased or decreased so that the total initial calculated SFY 2012 charity care subsidy shall be equal to \$675,000,000; (i) the SFY 2012 charity care subsidy allocation calculated thus far for each eligible hospital shall be multiplied by 25%; (j) the SFY 2011 charity care subsidy allocation for each eligible hospital shall be multiplied by 75%; (k) the amounts

calculated in subsections (i) and (j) above shall be added together for each eligible hospital producing the SFY 2012 charity care subsidy allocation for each eligible hospital; (l) The resulting number will constitute each eligible hospital's SFY 2012 charity care subsidy allocation. A proportionate increase or decrease shall be applied to all hospitals if necessary such that the calculated SFY 2012 charity care subsidy allocation for all hospitals totaled shall not exceed \$675,000,000.

Of the amount hereinabove appropriated for Health Care Subsidy Fund Payments, any amounts not allocated to a hospital-specific State fiscal year 2012 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 \$705,000,000.

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 not be limited to, maintenance of continued timely access to essential health services for persons eligible to participate in charity care, and 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. Notice of such redistribution shall be provided to the Joint Budget Oversight Committee within five 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 an acute care hospital to ensure appropriate use of public funds.

The amounts hereinabove appropriated for charity care or other funding to a health care facility is conditioned upon the following requirement: such health care facility shall participate in planning meetings supervised by the Department of Health and Senior Services for the planning of the provision of hospital, medical or health programs and services, and shall, to the extent permitted by State and federal law, share patient level data as needed to facilitate such purposes.

Notwithstanding the provisions of any law or regulation to the contrary, the amounts hereinabove appropriated from the Health Care Subsidy Fund for charity care payments are subject to the following condition: In a manner determined by the Commissioner of Health and Senior Services and subject to the approval of the Director of the Division of Budget and Accounting, eligible hospitals shall receive 1) their charity care subsidy payments beginning in July 2011, 2) an aggregate amount of \$10,000,000 of their July and August 2011 payments in October 2011, 3) their September 2011 payments in October 2011, and 4) their January 2012 payments in December 2011.

**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.

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.

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:

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.

EVALUATION DATA

	Actual FY 2009	Actual FY 2010	Revised FY 2011	Budget Estimate FY 2012
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	140	143	147	144
Male Minority %	7.2	8.2	8.3	8.5
Female Minority	500	510	507	490
Female Minority %	25.7	29.1	28.5	28.7
Total Minority	640	653	654	634
Total Minority %	32.9	37.2	36.7	37.2

HEALTH AND SENIOR SERVICES

	Actual FY 2009	Actual FY 2010	Revised FY 2011	Budget Estimate FY 2012
Position Data				
Filled Positions by Funding Source				
State Supported	68	67	61	62
Federal	11	10	10	10
All Other	119	114	106	105
Total Positions	198	191	177	177
Filled Positions by Program Class				
Administration and Support Services	198	191	177	177
Total Positions	198	191	177	177

Notes:

Actual payroll counts are reported for fiscal years 2009 and 2010 as of December and revised fiscal year 2011 as of January. The Budget Estimate for fiscal year 2012 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2010					Year Ending June 30, 2012				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	2011 Prog. Class.	Adjusted Approp.	Requested	Recommended	
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Program									
3,135	3	4,502	7,640	7,466	Administration and Support Services	99	4,331	4,280	4,280
<u>3,135</u>	<u>3</u>	<u>4,502</u>	<u>7,640</u>	<u>7,466</u>	Total Direct State Services		4,331 (a)	4,280	4,280
Distribution by Fund and Object									
Personal Services:									
1,264	3 ^R	4,502	5,769	5,713	Salaries and Wages		2,505	2,505	2,505
<u>1,264</u>	<u>3</u>	<u>4,502</u>	<u>5,769</u>	<u>5,713</u>	Total Personal Services		2,505	2,505	2,505
49	---	---	49	33	Materials and Supplies		49	49	49
238	---	---	238	238	Services Other Than Personal		226	226	226
Special Purpose:									
1,500	---	---	1,500	1,398	Office of Minority and Multicultural Health	99	1,500	1,500	1,500
84	---	---	84	84	Affirmative Action and Equal Employment Opportunity	99	51	---	---
<u>3,135</u>	<u>3</u>	<u>4,502</u>	<u>7,640</u>	<u>7,466</u>	Grand Total State Appropriation		4,331	4,280	4,280
OTHER RELATED APPROPRIATIONS									
Federal Funds									
4,023	397	100	4,520	1,709	Administration and Support Services	99	3,918	3,918	3,918
<u>4,023</u>	<u>397</u>	<u>100</u>	<u>4,520</u>	<u>1,709</u>	Total Federal Funds		3,918	3,918	3,918
All Other Funds									
---	4,053	3,609	9,310	4,201	Administration and Support Services	99	1,500	1,500	1,500
<u>---</u>	<u>1,648^R</u>	<u>3,609</u>	<u>9,310</u>	<u>4,201</u>	Total All Other Funds		1,500	1,500	1,500
<u>7,158</u>	<u>6,101</u>	<u>8,211</u>	<u>21,470</u>	<u>13,376</u>	GRAND TOTAL ALL FUNDS		9,749	9,698	9,698

Notes -- Direct State Services - General Fund

(a) The fiscal year 2011 appropriation has been adjusted for the allocation of salary program and the reallocation of statewide savings.

**20. PHYSICAL AND MENTAL HEALTH
26. SENIOR SERVICES**

OBJECTIVES

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

care services are also provided to persons previously ineligible because of income limits.

24. **Pharmaceutical Assistance to the Aged and Disabled (PAAD).** The Pharmaceutical Assistance to the Aged (PAA) Program provides prescription drug benefits to persons over 65 years of age with an income of up to \$9,000 if single or \$12,000 if married. Eligible individuals above these income limits and the disabled are funded from the Casino Revenue Fund through the Pharmaceutical Assistance to the Aged and Disabled (PAAD) Program, which provides prescription drug benefits to persons over 65 years of age, or disabled as defined by the Federal Social Security Act, with an income of up to \$24,432 if single or \$29,956 if married. The Senior Gold program provides prescription drug benefits to everyone over 65 years of age or receiving Social Security Disability benefits, whose annual income is \$10,000 above the applicable PAAD income eligibility limits for single and married persons, which amount is to be determined on the same basis as income is determined for the purpose for eligibility for PAAD.
55. **Programs for the Aged.** The Division of Senior Affairs (C.52:27D-28.1) supports programs which improve the quality of life for New Jersey's older citizens through technical assistance and grants to local entities. Funded programs include congregate and home delivered meals, informational assistance, outreach, personal care, legal services, transportation, telephone reassurance, housekeeping and chore services, and case management. These programs are financed with both State and federal funds. The 21 County Offices on Aging are also supported with State Aid.
57. **Office of the Public Guardian.** The Public Guardian (C.52:27G-20 et seq.) provides guardianship services for elderly adults who have been deemed by the courts to be in need of a guardian or conservator. Services include legal assistance, individualized social service plans, investigations into family/social history, and financial management, dependent on the client's personal needs.

PROGRAM CLASSIFICATIONS

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

EVALUATION DATA

	Actual FY 2009	Actual FY 2010	Revised FY 2011	Budget Estimate FY 2012
PROGRAM DATA				
Medical Services for the Aged				
Nursing Home Services:				
Per diem	\$177.23	\$175.30	\$176.37	\$168.09
Patient days	10,579,258	10,578,949	10,510,186	10,462,890
Gross annual cost (a)	\$1,874,923,632	\$1,854,538,841	\$1,853,660,000	\$1,758,658,000
Medical Day Care Services:				
Per diem	\$92.37	\$88.43	\$86.52	\$85.78
Total days	2,289,175	2,440,257	2,511,408	2,402,565
Gross annual cost	\$211,457,429	\$215,797,364	\$217,287,000	\$206,092,000
Global Budget for Long Term Care:				
Clients Served	10,101	11,055	11,911	12,864
Gross annual cost	\$152,130,424	\$159,610,253	\$197,196,000	\$208,776,000
Pharmaceutical Assistance to the Aged and Disabled				
Pharmaceutical Assistance to the Aged (PAA) Only:				
Average monthly eligibles	9,302	6,639	6,162	5,719
Average monthly prescriptions per eligible	1.84	1.82	1.67	1.60
Cost per prescription (excludes cost sharing)	\$24.81	\$36.69	\$30.37	\$34.15
Annual Cost	\$5,095,578	\$5,320,443	\$3,750,000	\$3,750,000

HEALTH AND SENIOR SERVICES

	Actual FY 2009	Actual FY 2010	Revised FY 2011	Budget Estimate FY 2012
Pharmaceutical Assistance to the Aged & Disabled (PAAD)				
Only:				
Aged				
Average monthly eligibles	124,327	112,660	110,744	108,861
Average monthly prescriptions per eligible	2.72	2.63	2.51	1.53
Cost per prescription (excludes cost sharing)	\$38.52	\$39.12	\$39.56	\$33.25
Gross Cost PAAD Program (Aged only)	\$156,315,442	\$139,093,100	\$131,956,703	\$66,456,121
Disabled				
Average monthly eligibles	29,225	25,354	26,461	27,616
Average monthly prescriptions per eligible	3.02	2.95	2.62	2.13
Cost per prescription (excludes cost sharing)	\$52.89	\$48.59	\$42.04	\$33.45
Gross Cost PAAD Program (Disabled only)	\$56,011,425	\$43,609,455	\$34,973,297	\$23,611,879
Total State PAAD Costs				
Prescription drug expenses	\$217,422,445	\$188,022,998	\$170,680,000	\$93,818,000
Payments for Medicare Part D monthly premiums	\$29,650,903	\$29,619,649	\$29,000,000	\$30,000,000
PAAD manufacturers' rebates (b)	(\$34,752,697)	(\$40,573,307)	(\$40,000,000)	(\$32,000,000)
PAAD recoveries	(\$7,912,581)	(\$3,835,443)	(\$5,000,000)	(\$6,985,000)
Net Annual Cost	\$204,408,070	\$173,233,897	\$154,680,000	\$84,833,000
Total General Fund	\$5,095,578	\$44,696,757	\$75,787,000	\$30,818,000
Total Casino Revenue Fund	\$199,312,492	\$128,537,140	\$78,893,000	\$54,015,000
Senior Gold				
Aged				
Average monthly eligibles	20,405	21,215	20,934	20,657
Average monthly prescriptions per eligible	1.88	1.81	1.80	1.76
Cost per prescription (excludes cost sharing)	\$17.41	\$16.88	\$15.25	\$14.15
Gross Cost Senior Gold Program (Aged only)	\$8,014,464	\$7,776,197	\$6,893,613	\$6,173,220
Disabled				
Average monthly eligibles	1,401	1,815	2,047	2,309
Average monthly prescriptions per eligible	2.14	2.04	2.04	2.04
Cost per prescription (excludes cost sharing)	\$26.48	\$20.71	\$17.07	\$17.27
Gross Cost Senior Gold Program (Disabled only)	\$954,897	\$920,170	\$855,387	\$975,780
Total State Senior Gold Costs				
Gross Annual Cost Senior Gold	\$8,969,361	\$8,696,367	\$7,749,000	\$7,149,000
Manufacturers' rebates	(\$1,341,796)	(\$184,222)	(\$150,000)	(\$100,000)
Net Annual Cost	\$7,627,565	\$8,512,145	\$7,599,000	\$7,049,000
Total General Fund (c)	\$7,627,565	\$8,512,145	\$7,599,000	\$7,049,000
Programs for the Aged				
Services and Service Units Provided:				
Congregate meals service	1,860,087	1,901,098	1,800,000	1,700,000
Home delivered meals service	4,081,000	3,842,429	3,800,000	3,700,000
Transportation service	816,416	820,967	821,000	821,000
Information and referral service	389,759	390,873	391,000	391,000
Telephone reassurance service	251,522	250,075	251,000	251,000
Outreach service	57,549	62,609	63,000	63,000
Personal care service	813,872	821,046	821,000	821,000
Legal service	26,857	26,321	27,000	27,000
Housekeeping and chore services	384,148	375,088	376,000	376,000
Education and training services	60,918	24,737	25,000	25,000
Case management service	166,207	153,038	154,000	154,000
Physical health services	89,197	84,204	85,000	85,000
Congregate Housing Services Program				
Persons served	2,883	2,911	2,800	2,700
Site locations	65	65	65	65
Adult Protective Services				
Persons served	4,052	4,183	4,500	4,700
Health Insurance Counseling				
Clients served	1,045,000	1,172,000	1,250,000	1,500,000

HEALTH AND SENIOR SERVICES

	Actual FY 2009	Actual FY 2010	Revised FY 2011	Budget Estimate FY 2012
Security Housing and Transportation				
Clients served	7,929	6,283	6,300	6,300
Gerontology Services				
Geriatric Patients Served	5,330	3,366	4,200	4,200
Alzheimer's Day Care Units Provided	46,222	40,100	50,000	50,000
Persons Trained in Gerontology	3,371	3,701	4,000	4,000
Caregivers Receiving Respite Care	2,310	2,187	2,300	2,300
Office of the Public Guardian				
Office of the Public Guardian				
Number of inquiries	726	2,974	3,444	5,244
Number of cases handled	3,204	3,593	4,070	4,656
Number of court-appointed cases	317	389	477	586

PERSONNEL DATA

Position Data

Filled Positions by Funding Source

State Supported	262	249	237	238
Federal	119	120	119	121
All Other	25	24	23	25
Total Positions	406	393	379	384

Filled Positions by Program Class

Medical Services for the Aged	173	170	167	170
Pharmaceutical Assistance to the Aged & Disabled	146	138	129	128
Lifeline	12	11	11	11
Programs for the Aged	37	37	37	37
Office of the Public Guardian	38	37	35	38
Total Positions	406	393	379	384

Notes:

Actual payroll counts are reported for fiscal years 2009 and 2010 as of December and revised fiscal year 2011 as of January. The Budget Estimate for fiscal year 2012 reflects the number of positions funded.

The Fiscal Year 2012 Budget assumes that, beginning in fiscal year 2012, certain services with line items that are currently provided as fee-for-service will be covered by a managed care organization. The current evaluation data display does not reflect this change in service delivery.

- (a) Includes expenses for Medicaid High Occupancy, federal Peer Grouping, and SOBRA funded in the General Fund.
- (b) Rebates and recoveries earned by all portions of the PAA/PAAD program.
- (c) Excludes \$3,850,000 appropriated for administration.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2010					Year Ending June 30, 2012				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2011 Adjusted Approp.	Requested	Recom- mended	
					<u>DIRECT STATE SERVICES</u>				
					<u>Distribution by Fund and Program</u>				
4,602	---	5,645	10,247	9,679	22	3,951	3,951	3,951	
7,801	641	3,555	11,997	11,723	24	6,078	6,078	6,078	
---	11	---	11	11	28	---	---	---	
1,234	34	286	1,554	1,462	55	1,234	1,234	1,234	
363	1	191	555	518		363	363	363	
871	33	95	999	944		871	871	871	
634	---	---	634	634	57	634	634	634	
14,271	686	9,486	24,443	23,509	Total Direct State Services		11,897	11,897	
13,400	653	9,391	23,444	22,565		11,026	11,026	11,026	
871	33	95	999	944		871	871	871	

HEALTH AND SENIOR SERVICES

Year Ending June 30, 2010					Year Ending June 30, 2012			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2011 Adjusted Approp.	Requested	Recommended
<u>DIRECT STATE SERVICES</u>								
Distribution by Fund and Object								
Personal Services:								
7,816	---	297	8,113	7,921		7,715	7,715	7,715
796	---	-65	731	730		658	658	658
---	---	---	---	---		138	138	138
8,612	---	232	8,844	8,651		8,511	8,511	8,511
7,816	---	297	8,113	7,921		7,715	7,715	7,715
796	---	-65	731	730		796	796	796
163	---	---	163	31		163	163	163
14	---	---	14	14		14	14	14
2,540	---	-373	2,167	2,149		2,540	2,540	2,540
47	---	95	142	111		47	47	47
437	---	---	437	376		437	437	437
2	---	---	2	---		2	2	2
Special Purpose:								
550	---	---	550	550		---	---	---
---	---	1,250	1,250	1,205	22	---	---	---
---	---	4,100	4,100	3,749	22	---	---	---
1,723	641	---	2,364	2,364	24	---	---	---
---	---	3,850	3,850	3,843	24	---	---	---
---	33	65	98	89	55	---	---	---
---	---	191	191	191	55	---	---	---
143	1	76	220	186	55	143	143	143
28	11	---	39	---		28	28	28
12	---	---	12	---		12	12	12
<u>GRANTS-IN-AID</u>								
Distribution by Fund and Program								
678,731	263	9,454	688,448	672,167	22	973,560	906,883	906,883
650,901	263	9,454	660,618	644,484		973,440	886,763	886,763
27,830	---	---	27,830	27,683		120	20,120	20,120
232,395	40,738	-18,654	254,479	222,502	24	177,037	95,662	95,662
103,839	184	-18,654	85,369	53,392		98,144	41,647	41,647
128,556	40,554	---	169,110	169,110		78,893	54,015	54,015
30,200	---	-286	29,914	27,614	55	45,148	45,148	45,148
15,523	---	-191	15,332	13,806		30,400	30,400	30,400
14,677	---	-95	14,582	13,808		14,748	14,748	14,748
941,326	41,001	-9,486	972,841	922,283		1,195,745	1,047,693	1,047,693
770,263	447	-9,391	761,319	711,682		1,101,984	958,810	958,810
171,063	40,554	-95	211,522	210,601		93,761	88,883	88,883
Less:								
---	---	---	---	---		(243,879)	---	---
---	---	---	---	---		---	(75,000)	(75,000)
941,326	41,001	-9,486	972,841	922,283		951,866	972,693	972,693

HEALTH AND SENIOR SERVICES

Orig. & (S)Supple- mental	Year Ending June 30, 2010				Prog. Class.	2011 Adjusted Approp.	Year Ending June 30, 2012		
	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended			Requested	Recom- mended	
GRANTS-IN-AID									
Distribution by Fund and Object									
Grants:									
27,639	---	---	27,639	27,580	Global Budget for Long Term Care (CRF)	22	---	20,000	20,000
54,978 15,112 ^S	---	-21,750	48,340	48,075	Global Budget for Long Term Care (b)	22	94,501 15,000 ^S	137,112	137,112
404,213 43,972 ^S	---	66,534	514,719	499,419	Payments for Medical Assistance Recipients - Nursing Homes (c)	22	755,215	646,605	646,605
88,251 20,498 ^S	---	-25,060	83,689	83,689	Medical Day Care Services	22	98,724 10,000 ^S	103,046	103,046
9,000	---	-9,000	---	---	Medicaid High Occupancy - Nursing Homes	22	---	---	---
---	193	3,200	3,393	2,839	PACE	22	---	---	---
---	70	---	70	57	Money Follows the Person	22	---	---	---
14,877	---	-4,470	10,407	10,405	ElderCare Initiatives (d)	22	---	---	---
71	---	---	71	40	Home Care Expansion (CRF) (d)	22	---	---	---
120	---	---	120	63	Hearing Aid Assistance for the Aged and Disabled (CRF)	22	120	120	120
6,403	---	---	6,403	5,320	Pharmaceutical Assistance to the Aged - Claims	24	3,750	3,750	3,750
85,449	---	-20,104	65,345	39,376	Pharmaceutical Assistance to the Aged and Disabled - Claims	24	89,228	27,068	27,068
128,556	40,554 ^R	---	169,110	169,110	Pharmaceutical Assistance to the Aged and Disabled - Claims (CRF)	24	78,893	54,015	54,015
8,290 3,697 ^S	184 ^R	1,450	13,621	8,696	Senior Gold Prescription Discount Program	24	5,166	10,829	10,829
500	---	---	500	500	Demonstration Adult Day Care Center Program - Alzheimer's Disease (d)	55	---	---	---
10,579	---	---	10,579	9,063	Purchase of Social Services (d)	55	---	---	---
2,500	---	-191	2,309	2,303	ElderCare Advisory Commission Initiatives (d)	55	---	---	---
---	---	---	---	---	Community Based Senior Programs	55	30,400	30,400	30,400
---	---	---	---	---	Community Based Senior Programs (CRF)	55	14,748	14,748	14,748
908	---	---	908	908	Alzheimer's Disease Program (d)	55	---	---	---
2,724	---	-50	2,674	2,310	Demonstration Adult Day Care Center Program-Alzheimer's Disease (CRF) (d)	55	---	---	---
1,036	---	---	1,036	1,032	Adult Protective Services (d)	55	---	---	---
1,842	---	-45	1,797	1,748	Adult Protective Services (CRF) (d)	55	---	---	---
1,726	---	---	1,726	1,431	Senior Citizen Housing-Safe Housing and Transportation (CRF) (d)	55	---	---	---
5,359	---	---	5,359	5,316	Respite Care for the Elderly (CRF) (d)	55	---	---	---
2,006	---	---	2,006	2,006	Congregate Housing Support Services (CRF) (d)	55	---	---	---
1,020	---	---	1,020	997	Home Delivered Meals Expansion (CRF) (d)	55	---	---	---
Less:									
---	---	---	---	---	Enhanced Federal Medicaid Matching Percentage		(309,323) 65,444 ^S	---	---
---	---	---	---	---	Comprehensive Medicaid Waiver		---	(75,000)	(75,000)

HEALTH AND SENIOR SERVICES

Year Ending June 30, 2010					Year Ending June 30, 2012				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2011 Adjusted Approp.	Requested	Recommended	
STATE AID									
Distribution by Fund and Program									
7,152	---	---	7,152	6,374	55	7,152	7,152	7,152	
<u>7,152</u>	<u>---</u>	<u>---</u>	<u>7,152</u>	<u>6,374</u>		<u>7,152</u>	<u>7,152</u>	<u>7,152</u>	
Distribution by Fund and Object									
State Aid:									
2,498	---	---	2,498	1,858	55	2,498	2,498	2,498	
<u>4,654</u>	<u>---</u>	<u>---</u>	<u>4,654</u>	<u>4,516</u>		<u>4,654</u>	<u>4,654</u>	<u>4,654</u>	
<u>962,749</u>	<u>41,687</u>	<u>---</u>	<u>1,004,436</u>	<u>952,166</u>		<u>970,915</u>	<u>991,742</u>	<u>991,742</u>	
OTHER RELATED APPROPRIATIONS									
Federal Funds									
1,602,287	-178	-34,104	1,568,005	1,451,325	22	1,672,515	1,187,265	1,187,265	
47,474									
1,420 ^S	3,497	---	52,391	43,955	55	47,899	47,899	47,899	
<u>1,000</u>	<u>---</u>	<u>376</u>	<u>1,376</u>	<u>1,375</u>	57	<u>1,300</u>	<u>1,300</u>	<u>1,300</u>	
<u>1,652,181</u>	<u>3,319</u>	<u>-33,728</u>	<u>1,621,772</u>	<u>1,496,655</u>		<u>1,721,714</u>	<u>1,236,464</u>	<u>1,236,464</u>	
All Other Funds									
---	310	---	130,478	130,439	22	136,000	131,000	131,000	
---	130,168 ^R	---							
---	11	---	136	101	55	150	150	150	
---	125 ^R	---							
---	5	---	345	345	57	1,344	1,344	1,344	
---	340 ^R	---							
<u>---</u>	<u>130,959</u>	<u>---</u>	<u>130,959</u>	<u>130,885</u>		<u>137,494</u>	<u>132,494</u>	<u>132,494</u>	
<u>2,614,930</u>	<u>175,965</u>	<u>-33,728</u>	<u>2,757,167</u>	<u>2,579,706</u>		<u>2,830,123</u>	<u>2,360,700</u>	<u>2,360,700</u>	

Notes -- Grants-In-Aid - General Fund

- (a) The Fiscal Year 2012 Budget assumes that, beginning in fiscal year 2012, certain services with line items that are currently provided as fee-for-service will be covered by a managed care organization. The current evaluation data display does not reflect this change in service delivery.
- (b) This appropriation includes funding for the nursing home care of those who enter Global Options.
- (c) The fiscal 2011 adjusted appropriation and the fiscal 2012 recommended and requested amounts reflect a \$24 million offset for the Enhanced Peer Grouping initiative.
- (d) The fiscal 2011 appropriations have been consolidated into the Community Based Senior Programs appropriation.

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, the amount hereinabove appropriated for the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program is subject to the following condition: any third party, as defined in subsection m. of section 3 of P.L.1968, c.413 (C.30:4D-3.m), or in 42 U.S.C.S. 1396a(a)(25)(A), including but not limited to a pharmacy benefit manager writing health, casualty, or malpractice insurance policies in the State or covering residents of this State, shall enter into an agreement with the Department of Health and Senior Services to permit and assist the matching of the Department of Health and Senior Services' program eligibility and/or adjudication claims files against that third party's eligibility and/or adjudicated claims files for the purpose of the coordination of benefits, utilizing, if necessary, social security numbers as common identifiers.

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

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 preceding fiscal year 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.
- The amounts hereinabove appropriated for Payments for Medical Assistance Recipients-Nursing Homes are available for the payment of obligations applicable to prior fiscal years.
- 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 N.J.A.C.8:85 or any law or other regulation to the contrary, the amounts hereinabove appropriated for Payments for Medical Assistance Recipients - Nursing Homes and Global Budget for Long Term Care shall be conditioned upon the following: (1) the per diem reimbursement rates effective July 1, 2011, for nursing facilities shall be developed according to the new rate setting methodology that shall be codified under N.J.A.C.8:85 during fiscal year 2011, including any changes that may be codified during fiscal year 2012; (2) except as otherwise provided in this FY 2012 Appropriation Act, regardless of the actual calculated reimbursement per diem rate arising from implementation of this methodology, a nursing facility's per diem reimbursement rate shall not vary more than \$10.00 from the per diem reimbursement rate received by that facility during fiscal year 2010; and (3) monies designated pursuant to subsection c. of section 6 of P.L.2003, c.105 (C.26:2H-97) for distribution to nursing homes less the portion of those funds to be paid as pass-through payments in accordance with paragraph 1 of subsection d. of section 6 of P.L.2003, c.105 (C.26:2H-97) shall be combined with amounts hereinabove appropriated for Payments for Medical Assistance Recipients - Nursing Homes and Global Budget for Long Term Care for the purpose of Medicaid reimbursement to nursing facilities according to the new rate setting methodology. For the purposes of this paragraph, a nursing facility's per diem reimbursement rate shall not include, if the nursing facility is eligible for reimbursement, the difference between the full calculated Provider Tax add-on and the Quality of Care portion of the Provider Tax add-on.
- Notwithstanding the provisions of any law or regulation to the contrary, 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 fee-for-service reimbursement rate for all adult Medical Day Care providers, regardless of provider type, shall be set at \$78.50.
- Notwithstanding the provisions of any law or regulation to the contrary, the amounts hereinabove appropriated for Medical Day Care Services shall be conditioned on the following provision: physical therapy, occupational therapy and speech therapy shall no longer serve as a permissible criteria for eligibility in the adult Medical Day Care Program.
- Notwithstanding the provisions of any law or regulation to the contrary, the amounts hereinabove appropriated for Medical Day Care Services shall be conditioned on the following provision: effective August 15, 2010, no payments for Medicaid adult medical day care services shall be provided on behalf of any beneficiary who received prior authorization for these services based exclusively on the need for medication administration.
- Notwithstanding the provisions of any law or regulation to the contrary, the amounts hereinabove appropriated for Medical Day Care Services shall be conditioned on the following provision: no licensed facility in the adult Medical Day Care Program may serve or

HEALTH AND SENIOR SERVICES

receive reimbursement for more than 200 Medicaid beneficiaries per day. Furthermore, no reimbursement will be provided for any claim in excess of a given facility's licensed capacity as established by the Department of Health and Senior Services.

Notwithstanding the provisions of N.J.A.C.8:87 or any other law or regulation to the contrary, the amounts hereinabove appropriated for Medical Day Care Services shall be conditioned upon the following provision: the daily reimbursement for pediatric medical day care shall remain at the rate established in the preceding fiscal year.

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 copayment in the Pharmaceutical Assistance to the Aged and Disabled program shall be \$5.00 for generic drugs and \$7.00 for brand name drugs.

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.

In addition to the amount hereinabove appropriated for the Pharmaceutical Assistance to the Aged and Disabled and the 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, the appropriations for the Pharmaceutical Assistance to the Aged and Disabled program and the 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 copayment 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 Disabled and the Senior Gold Prescription Discount (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 program 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, no funds appropriated in the Pharmaceutical Assistance to the Aged or Pharmaceutical Assistance to the Aged and Disabled (PAAD) program and Senior Gold Prescription Discount Program accounts shall be available as payment as a PAAD program or Senior Gold Prescription Discount Program 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) program and Senior Gold Prescription Discount Program recipients, no funds hereinabove appropriated to the PAAD program or Senior Gold Prescription Discount Program accounts shall be expended for any individual unless the individual enrolled in the PAAD program or Senior Gold Prescription Discount 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 and Pharmaceutical Assistance to the Aged and Disabled programs, and Senior Gold Prescription Discount Program shall be conditioned upon the following provision: no funds shall be appropriated for the refilling of a prescription drug until such time as the original prescription is 85% finished.

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. The Senior Gold Prescription Discount Program is authorized to represent program beneficiaries in the pursuit of such coverage. Senior Gold Prescription Discount Program representation shall include, but not to be limited to, the following actions: pursuit of appeals, grievances, and 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 program or Senior Gold Prescription Discount Program beneficiary's Medicare Part D plan. This exclusion shall not apply to those drugs covered by the PAAD program and Senior Gold Prescription Discount Program which are specifically excluded by the federal "Medicare Prescription Drug, Improvement, and Modernization Act of 2003" (MMA).

In addition, this exclusion shall not impact the beneficiary's rights, guaranteed by the MMA, 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.

In order to permit flexibility in implementing eldercare initiatives appropriated hereinabove as part of Community Based Senior Programs, 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, appropriated hereinabove as part of Community Based Senior Programs 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.

Notwithstanding the provisions of section 2 of P.L.1988, c.114 (C.26:2M-10) to the contrary, the amount appropriated for Community Based Senior Programs is subject to the following provision: private for-profit agencies shall be eligible grantees for funding from the Community Based Senior Programs account for Alzheimer's Disease activities, provided however, that the sum of grants awarded to private for-profit agencies shall not exceed 105% of the sum of grants received by such agencies in the prior fiscal year.

Notwithstanding the provisions of any law or regulation to the contrary, the amounts hereinabove appropriated for Payments for Medical Assistance Recipients – Nursing Homes and Global Budget for Long Term Care are subject to the following condition: nursing facilities shall not receive payments for bed hold or therapeutic leave days for Medicaid beneficiaries; provided that nursing facilities shall continue to reserve beds for Medicaid beneficiaries who are hospitalized or on therapeutic leave as required by N.J.A.C. 8:85-1.14.

Notwithstanding the provisions of any law or regulation to the contrary, the amounts hereinabove appropriated for Payments for Medical Assistance Recipients – Nursing Homes and Global Budget for Long Term Care are subject to the following condition: Special Care Nursing Facility (SCNF) Medicaid per diem reimbursement rates for FY 2012 shall be adjusted so that amount included in that rate for operating and administrative costs, as determined through the calculation pursuant to N.J.A.C. 8:85-3.7(e) utilizing the most recently verified SCNF cost report data, is the same amount as paid to non-county nursing facilities, other than SCNFs, for the Operating and Administrative Price of the per diem reimbursement rate up to a maximum adjustment of \$41.24 per day.

Notwithstanding the provision of any law or regulation to the contrary, the amounts hereinabove appropriated for Payments for Medical Assistance Recipients – Nursing Homes and Global Budget for Long Term Care are subject to the following condition: Medicaid per diem reimbursement rates for Special Care Nursing Facilities (SCNFs) shall not be subject to the budget adjustment factor pursuant to N.J.A.C. 8:85-3.13 for any reduction in nursing facility funding; however, the provisions of N.J.A.C. 8:85-3.15 and N.J.A.C. 8:85-3.16 shall apply when determining the SCNFs' rates. The reduction in funding for nursing facility reimbursement rates for nursing facilities other than SCNFs shall be implemented consistent with the specifications of N.J.A.C. 8:85-3.13.

Notwithstanding the provisions of any law or regulation to the contrary, the amounts appropriated hereinabove for Medical Day Care are subject to the following condition: effective August 15, 2011, all adult medical day care services shall be subject to a \$3.00 per day copayment up to a maximum amount of \$25.00 per recipient per month.

HEALTH AND SENIOR SERVICES

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 and the Senior Gold Prescription Discount Program account shall be expended for fee-for-service prescription drug claims with no Medicare Part D coverage except under the following conditions: (1) through August 31, 2011 (a) reimbursement for the cost of all legend and non-legend drugs shall be calculated based on the lowest of: (i) the Average Wholesale Price less a volume discount not to exceed 17.5% as shall be determined by the Commissioner and the Director of the Division of Budget and Accounting; or (ii) the federal upper limit (FUL); or (iii) the state upper limit (SUL); or (iv) a pharmacy's usual and customary charge; and (b) the current prescription drug dispensing fee structure set as a variable rate of \$3.73 to \$3.99 shall remain in effect through August 31, 2011; (2) on or after September 1, 2011 (a) drug cost for all legend and non-legend single source, brand-name multi-source, and multi-source drugs shall be calculated based upon, in the discretion of the Commissioner: (i) cost acquisition data submitted by providers, suppliers, and/or wholesalers of pharmaceutical services for single source, brand-name multi-source, and multi-source drugs; or (ii) the wholesale acquisition cost (WAC) less a one percent volume discount for single-source and multi-source brand-name drugs; or (iii) the lesser of the SUL or FUL for multi-source drugs; (3) on or after September 1, 2011, drug reimbursement shall be calculated, in the discretion of the Commissioner, based on either: (i) the lesser of the acquisition data from providers, suppliers and/or wholesalers for single source, brand-name multi-source, and multi-source drugs plus a professional fee or a provider's usual and customary charge; or (ii) the lesser of WAC less one percent plus a dispensing fee of \$3.73 to \$3.99 for single-source and multi-source brand-name drugs or a provider's usual and customary charge; or (iii) the lesser of SUL or FUL plus \$3.73 to \$3.99 for multi-source drugs or a provider's usual and customary charge. In the absence of acquisition data on or after September 1, 2011, reimbursement shall be based on the lesser of 3.ii or 3.iii above. To effectuate the purposes of this paragraph, which is intended to be budget neutral, the Department of Human Services shall mandate ongoing submission of current drug acquisition data by providers, suppliers, and/or wholesalers of pharmaceutical services for reimbursement of dispensing or administering single source, brand-name multi-source, and multi-source drugs, and no funds hereinabove appropriated shall be paid to any entity that fails to submit required data.

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

In addition to the amounts hereinabove appropriated for Pharmaceutical Assistance to the Aged and Disabled and Hearing Aid Assistance for the Aged and Disabled, 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 copayment in the Pharmaceutical Assistance to the Aged and Disabled program shall be \$5.00 for generic drugs and \$7.00 for brand name drugs.

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

Notwithstanding the provisions of any law or regulation to the contrary, 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).

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, 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 copayment 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 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 program recipients in the federal program. The PAAD program 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 the Senior Gold Prescription Discount Program, and for Medicare Part D premium costs for PAAD program beneficiaries.

Notwithstanding the provisions of any law or regulation to the contrary, no funds appropriated in the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program and the Senior Gold Prescription Discount Program accounts shall be available as payment as a PAAD program or Senior Gold Prescription Discount Program 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) program 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, 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.

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 program beneficiary's Medicare Part D plan. This exclusion shall not apply to those drugs covered by PAAD which are specifically excluded by the federal "Medicare Prescription Drug, Improvement, and Modernization Act of 2003" (MMA). In addition, this exclusion shall not impact the beneficiary's rights, guaranteed by the MMA, 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 Community Based Senior Programs (CRF) account, \$400,000 shall be charged to the Casino Simulcasting Fund.

Notwithstanding the provisions of section 2 of P.L.1988, c.114 (C.26:2M-10) to the contrary, the amount appropriated for Community Based Senior Programs is subject to the following provision: private for-profit agencies shall be eligible grantees for funding from the Community Based Senior Programs account for Alzheimer's Disease activities, provided however, that the sum of grants awarded to private for-profit agencies shall not exceed 105% of the sum of grants received by such agencies in the prior fiscal year.

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 fee-for-service prescription drug claims with no Medicare Part D coverage except under the following conditions: (1) through August 31, 2011 (a) reimbursement for the cost of all legend and non-legend drugs shall be calculated based on the lowest of: (i) the Average Wholesale Price less a volume discount not to exceed 17.5% as shall be determined by the Commissioner and the Director of the Division of Budget and Accounting; or (ii) the federal upper limit (FUL); or (iii) the state upper limit (SUL); or (iv) a pharmacy's usual and customary charge; and (b) the current prescription drug dispensing fee structure set as a variable rate of \$3.73 to \$3.99 shall remain in effect through August 31, 2011; (2) on or after September 1, 2011 (a) drug cost for all legend and non-legend single source, brand-name multi-source, and multi-source drugs shall be calculated based upon, in the discretion of the Commissioner: (i) cost acquisition data submitted by providers, suppliers, and/or wholesalers of pharmaceutical services for single source, brand-name multi-source, and multi-source drugs; or (ii) the wholesale acquisition cost (WAC) less a one percent volume discount for single-source and multi-source brand-name drugs; or (iii) the lesser of the SUL or FUL for multi-source drugs; (3) on or after September 1, 2011, drug reimbursement shall be calculated, in the discretion of the Commissioner, based on either: (i) the lesser of the acquisition data from providers, suppliers and/or wholesalers for single source, brand-name multi-source, and multi-source drugs plus a professional fee or a provider's usual and customary charge; or (ii) the lesser of WAC less one percent plus a dispensing fee of \$3.73 to \$3.99 for single-source and multi-source brand-name drugs or a provider's usual and customary charge; or (iii) the lesser of SUL or FUL plus \$3.73 to \$3.99 for

HEALTH AND SENIOR SERVICES

multi-source drugs or a provider's usual and customary charge. In the absence of acquisition data on or after September 1, 2011, reimbursement shall be based on the lesser of 3.ii or 3.iii above. To effectuate the purposes of this paragraph, which is intended to be budget neutral, the Department of Human Services shall mandate ongoing submission of current drug acquisition data by providers, suppliers, and/or wholesalers of pharmaceutical services for reimbursement of dispensing or administering single source, brand-name multi-source, and multi-source drugs, and no funds hereinabove appropriated shall be paid to any entity that fails to submit required data.

DEPARTMENT OF HEALTH AND SENIOR SERVICES

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 the preceding fiscal year is appropriated for payments to federally qualified health centers.

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, 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.

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

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

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