

CHAPTER 28

AN ACT authorizing an intergovernmental transfer program under the Medicaid program, supplementing Title 30 of the Revised Statutes and making an appropriation therefor.

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

C.30:4D-19.2 Findings, declarations relative to intergovernmental transfer program under Medicaid.

1. The Legislature finds and declares that:

a. Federal law permits states to enhance existing federal financial participation under the Medicaid program through the use of intergovernmental transfers;

b. Participation in an intergovernmental transfer program by the State and certain governmental entities will enhance the health and welfare of the citizens of New Jersey by providing additional funds for health-related services; and

c. In order to secure the additional federal funds under the Medicaid program, it is the intent of this act to authorize and implement an intergovernmental transfer program.

C.30:4D-19.3 Definitions relative to intergovernmental transfer program under Medicaid.

2. As used in this act:

"Bank" means a State or federally chartered bank, savings bank or savings and loan association located in this State that is authorized to receive public funds and that is selected by the participating governmental entities to carry out the provisions of this act.

"Intergovernmental transfer" means the transfer of money to the State account by a participating governmental entity as contemplated by an intergovernmental transfer agreement.

"Intergovernmental transfer agreement" means an agreement among the State Treasurer, the Commissioners of Human Services and Health and Senior Services, and a participating governmental entity pertaining to participation in and implementation of the intergovernmental transfer program.

"Intergovernmental transfer program" or "program" means a program to enhance federal financial participation under the Medicaid program by using intergovernmental transfers.

"Medicaid" means the "New Jersey Medical Assistance and Health Services Program" established pursuant to P.L.1968, c.413 (C.30:4D-1 et seq.).

"Medicaid State plan" means the plan submitted by the State to the federal Health Care Financing Administration in the Department of Health and Human Services, including any amendments thereto.

"Participant accounts" means the accounts maintained at the bank by each participating governmental entity for the purpose of effectuating the intergovernmental transfer program.

"Participating governmental entity" means any governmental entity that owns a nursing facility enrolled in the Medicaid program and qualifies for a supplemental payment under the Medicaid State plan, and which signs an intergovernmental transfer agreement.

"State account" means the account maintained at the bank by the State Treasurer for the purpose of the intergovernmental transfer program.

"Supplemental payment" means the Medicaid payment made by the State to a participating governmental entity for a specified fiscal year, as set forth and provided for in an intergovernmental transfer agreement.

C.30:4D-19.4 Intergovernmental transfer programs established.

3. There is established an intergovernmental transfer program subject to the provisions of this act.

a. Notwithstanding the provisions of any other law to the contrary, a governmental entity eligible to receive a supplemental payment is authorized to participate in the intergovernmental transfer program and to take all actions necessary to effectuate completion of the intergovernmental transfer program, including, but not limited to:

(1) entering into agreements, including an intergovernmental transfer agreement, with any entity, including the State Treasurer, the Commissioner of Human Services, the Commissioner of Health and Senior Services and other participating governmental entities;

(2) cooperating with a bank in the execution of any additional documentation required by the bank to effect the borrowing by any participating governmental entity through the issuance of

short-term notes in the manner prescribed for the issuance of tax anticipation notes pursuant to N.J.S.40A:4-64, except that the short-term notes shall not be subject to the provisions of N.J.S.40A:4-66, or in any other manner permitted by law, and to pledge to the bank a security interest in all of its right, title and interest in and to its participant account for repayment of short-term notes;

(3) transferring participating governmental entity funds to the State account;

(4) executing certifications, letters of instruction or other instruments necessary to effectuate the intergovernmental transfer program; and

(5) receiving and utilizing supplemental payments received in accordance with the Medicaid State plan, in the manner set forth under the terms of an intergovernmental transfer agreement and as may be necessary to achieve the purposes of the intergovernmental transfer agreement.

b. Notwithstanding any other law to the contrary, the State Treasurer, the Commissioner of Human Services and the Commissioner of Health and Senior Services, acting on behalf of the State, are authorized to participate in the intergovernmental transfer program and to take all actions and make payments in connection with the completion of the intergovernmental transfer program, including, but not limited to:

(1) entering into agreements, including the intergovernmental transfer agreement, with any entity, including participating governmental entities, upon such terms and conditions as the State Treasurer deems necessary or desirable to allow for the entity's participation in the intergovernmental transfer program;

(2) cooperating with any bank in the execution of any additional documentation required by the bank to transfer supplemental payments to the participant accounts and otherwise effectuate the intergovernmental transfer program; and

(3) executing, approving and authorizing certifications, letters of instruction, legal opinions or other instruments as the State Treasurer deems necessary or desirable to effectuate the intergovernmental transfer program.

C.30:4D-19.5 Appropriations for supplemental payments under intergovernmental transfer program; costs.

4. a. There are appropriated to the Department of Health and Senior Services such sums as are determined necessary by the Director of the Division of Budget and Accounting in the Department of the Treasury to make supplemental payments in accordance with the Medicaid State plan under the intergovernmental transfer program. The sums so appropriated shall be deposited in the State account and used to make supplemental payments to the participant accounts pursuant to this subsection and as set forth in an intergovernmental transfer agreement.

b. There are appropriated to the Department of Health and Senior Services and Department of the Treasury such additional sums as are determined necessary by the Director of the Division of Budget and Accounting in the Department of the Treasury to pay costs incurred by the State in connection with the execution and delivery of any agreements authorized hereunder, including the costs of professional services, attorneys and any other costs necessary to complete the intergovernmental transfer program.

5. This act shall take effect immediately.

Approved June 9, 2000.