

CHAPTER 200

AN ACT establishing the "New Jersey Disease Management Study Commission."

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

1. The Legislature finds and declares that:
 - a. Forty-four percent of non-institutionalized Americans have chronic conditions, but these persons account for 78% of health care expenditures in the United States;
 - b. Disease management is a system of coordinated health care interventions typically targeting individuals who have, or are at risk, for developing, chronic medical conditions, which seeks to help them better understand when to seek care, how to manage their conditions and how to improve their quality of life;
 - c. Many disease management programs have been successful at improving quality of life, improving health care practices and decreasing health care expenditures by reducing the use of more costly health care services such as inpatient hospital care and emergency room visits;
 - d. Despite their successes, disease management programs still face several barriers to widespread implementation including resistance among patients and health care providers, low adherence to treatment protocols and a lack of technology to support programs; and
 - e. There is, therefore, a need to assess disease management programs and determine incentives that would encourage employers, insurers and individuals to use disease management programs as a means of improving the quality of health care while reducing costs.

2. a. There is established the "New Jersey Disease Management Study Commission" in the Department of Health and Senior Services. The purpose of the commission shall be to assess disease management programs to determine their potential to improve health care quality while reducing health care costs.

b. The commission shall consist of 19 members as follows:

(1) the Commissioners of Health and Senior Services, Banking and Insurance and Human Services, and the Director of the Division of Consumer Affairs in the Department of Law and Public Safety, or their designees, who shall serve *ex officio*; and

(2) 15 public members, to be appointed by the Governor, who shall include: two representatives of AAHP-HIAA, at least one of whom represents managed care companies; one member who is a hospital employee, upon the recommendation of the New Jersey Council of Teaching Hospitals; one representative of the Medical Society of New Jersey; one representative of the New Jersey Business and Industry Association; one representative of the New Jersey Hospital Association; one representative of the New Jersey Public Health Association; one member who is an advanced practice nurse, upon the recommendation of the New Jersey State Nurses Association; one representative of the Rutgers Center for State Health Policy; one representative of the Department of Preventive Medicine and Community Health at UMDNJ-New Jersey Medical School; one representative of the New Jersey Academy of Family Physicians; one representative of the Disease Management Association of America; one representative of the Environmental and Occupational Health Sciences Institute at UMDNJ-Robert Wood Johnson Medical School; one representative of the New Jersey Pharmacists' Association; and one representative of the New Jersey Dietetic Association.

c. Vacancies in the membership of the commission shall be filled in the same manner provided for the original appointments. The public members of the commission shall serve without compensation, but may be reimbursed for traveling and other miscellaneous expenses necessary to perform their duties, within the limits of funds made available to the commission for its purposes.

d. The commission shall organize as soon as practicable, but no later than the 60th day after the appointment of its members, and shall select a chairperson and vice-chairperson from among the members.

e. The commission shall meet at the call of its chair and may hold hearings at the times and in the places it may deem appropriate and necessary to fulfill its charge. The commission shall be entitled to call to its assistance, and avail itself of the services of, the employees of any State, county or municipal department, board, bureau, commission or agency as it may require and as may be available for its purposes.

f. The Department of Health and Senior Services shall provide staff services to the

commission, including a secretary who is not a member of the commission.

3. The commission shall:

a. assess disease management programs to determine their potential to improve individual health, promote quality health care and contain health care costs;

b. identify technologies that it deems are most effective in supporting disease management programs and review, at a minimum, the following: factors which prevent the adoption of, or participation in, disease management programs; financial and non-financial incentives which may encourage employers, insurers and individuals to use disease management programs; specific incentives offered by other states to encourage the use of disease management programs, and their results; and disease management programs implemented by other states, and their results;

c. identify methods to improve public awareness of the effects of indoor pollutants on the health of individuals, and how they are to be identified and eliminated using proper environmental controls;

d. study insurance products that are designed to promote health wellness and methods to promote the wider acceptance of wellness physical and preventive examinations within the medical community; and

e. study various aspects of demand management with respect to health care consumers in order to better understand the reasons that people choose to access the health care system.

4. The commission shall report its findings and recommendations to the Governor and Legislature, along with any legislative bills that it desires to recommend for adoption by the Legislature, no later than 18 months after the date of its initial meeting.

5. This act shall take effect immediately and shall expire upon the issuance of the commission report.

Approved August 18, 2005.