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NEWS RELEASE

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Governor Recommends Changes to Bill Establishing Managed Hospital Charity Care Program

Gov. Christie Whitman today sent to the Legislature her recommended changes to a bill that would eliminate the requirement in the charity care law to establish a statewide managed hospital charity care program and provides for a regional or county-based demonstration program. The Governor's conditional veto adds a provision to the bill creating a Managed Care Task Force.

A-1690, sponsored by Assembly Members Nicholas Asselta (R-Cape May/Atlantic/Cumberland) and Joseph Doria (D-Hudson) and Senators John Matheussen (R-Camden/Gloucester) and John Bennett (R-Monmouth), eliminates the requirement in the current charity care law that the Commissioner of Human Services seek federal approval to establish a permanent statewide program for providing hospital charity care services on a managed care basis.

Instead of a permanent statewide program, the bill would permit the Commissioner of Human Services, in consultation with the Commissioner of Health and Senior Services and the Treasurer, to seek federal approval to establish a demonstration managed charity care program, within a single region or county. The demonstration program would last for a two-year period and will test the programmatic and fiscal viability of delivering charity care services through managed care.

In her conditional veto, the Governor recommends that the Legislature adopt a provision creating a Managed Care Task Force to study and make recommendations concerning the viability of providing a statewide charity care program on a managed care basis. The Task Force would also study the use and development of electronic patient identification technology and electronic data exchange to support a statewide managed hospital charity care program.