

JULY 2007 - JUNE 2008

A Report to the Governor & The Legislature of the State of New Jersey

On The Catastrophic Illness in Children Relief Fund Act



N.J.S.A. 26:2-148 et seq.

20th Anniversary

1988 - 2008

Jon S. Corzine, Governor

Jennifer Velez, Commissioner of Human Services

Jane Schreadley Lorber, Chairperson

Ralph J. Condo, Executive Director

CATASTROPHIC ILLNESS IN CHILDREN RELIEF FUND COMMISSION

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EXECUTIVE DIRECTOR

Ralph J. Condo

P.O. BOX 728, TRENTON, NJ 08625-0728 ♦ 609-292-0600
WWW.NJCATASTROPHICFUND.ORG



Honorable Jon S. Corzine
Governor
State of New Jersey
State House
Trenton, New Jersey 08625

Dear Governor Corzine:

As Chairperson of the Catastrophic Illness in Children Relief Fund Commission, it gives me great pleasure to submit to you, **A Report to the Governor and the Legislature of the State of New Jersey on the Catastrophic Illness in Children Relief Fund Act, July 2007 to June 2008.**

In State Fiscal Year 2008, the Catastrophic Illness in Children Relief Fund Commission approved \$7.1M in grant awards for 311 families. Many of these families were without health care coverage at the time they incurred significant medical expenses for their children. A remarkable 91 percent of awards, however, were approved for families who were insured and were still burdened with catastrophic medical expenses related to the care of their children. The diverse needs of New Jersey families continue to demonstrate the value of this unique financial safety net.

Since the first grant awards were approved in December 1989 through June 2008 more than \$115M was approved for more than 4,800 families in need.

The Commission continues to provide meaningful relief for families struggling to cope with the financial responsibilities, which accompany a child's significant health problems. We know that you join the Commission in communicating the Program's message to all families that they do not have to bear high out-of-pocket costs of their children's care alone.

With best wishes,

Jane S. Lorber
Chairperson

EXECUTIVE SUMMARY

The Catastrophic Illness in Children Relief Fund Commission approved \$7.1M in grant awards for families in need during State Fiscal Year 2008 (SFY08). The Commission has provided meaningful financial relief for New Jersey families since grant awards were first approved in December 1989 through June 30, 2008, more than \$115M was approved for families.

The data on awards approved in SFY08 demonstrates that financial help was available to meet the diverse needs of 311 New Jersey families, with awards ranging from \$690 to \$100,000. The average award per family was \$22,232. Assistance from The Fund provided financial relief for costs associated with 360 diagnoses and conditions. Families received assistance for a wide array of medical problems, from simple fractures to rare genetic syndromes.

Knowing from its experience that any family, regardless of income or insurance status, may be just one illness or accident away from personal and financial hardship, the Commission reached out to families through a comprehensive public information campaign. Working with volunteer parents, community and official agencies, churches, employers, and print and broadcast media, the Commission disseminated program information throughout the state.

Program expenditures were monitored. The Commission's cost savings initiatives through regulatory caps and cost reduction policy yielded savings in excess of \$940,000 in SFY08. This effort continues a long-standing practice of the Commission to reduce costs, whenever possible, while ensuring a positive impact on the families served. Since the inception of The Fund, the Commission achieved over \$14.3M in total discounts to date.

The Commission looks forward to continuing its service for New Jersey families, making a difference in the lives of the parents and children faced with extraordinary medical debt.

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ACKNOWLEDGEMENTS

The Catastrophic Illness in Children Relief Fund Commission would like to thank the NJ Department of Human Services for administrative support.

The Commission acknowledges the contributions of member designees in SFY08, including: William A.B. Ditto of the NJ Department of Human Services; Pauline Lisciotta of the NJ Department of Health and Senior Services; Maureen Adams of the NJ Department of Treasury; Ellen DeRosa of the NJ Department of Banking and Insurance and Robert Morgan, M.D. of the NJ Department of Children and Family Services.

This report was prepared by the State Office of the Catastrophic Illness in Children Relief Fund Commission.

The Catastrophic Illness in Children Relief Fund

The Catastrophic Illness in Children Relief Fund was established by legislation to provide financial assistance to families whose children have experienced an illness or condition not fully covered by insurance, state or federal program, or any other resource. The Fund is designed to provide a financial safety net for families struggling with a child's previously incurred expenses.

The definition of a catastrophic illness in this program is economic and is measured in terms of the financial consequences of health care expenses on the family, rather than on traditional diagnostic classifications or acuity of illness.

Eligibility Requirements

A “catastrophic illness” means any illness or condition in which the incurred medical expenses are not covered by any state or federal program, insurance contract, or other resource, and exceeds an established eligibility threshold. In SFY08, a “catastrophic illness” was defined in statute to mean uncovered expenses incurred in the care of a child, which exceeded 10 percent of the first \$100,000 of annual income of a family, plus 15 percent of any excess income over \$100,000. In SFY04, the enabling legislation was amended to expand the age of a “child” to include someone 21 years of age and younger so that The Fund could continue to provide continuity in financial assistance for the young adult population. In SFY08, the Commission provided assistance to nine young adults.

The family must be a resident of New Jersey for at least three months prior to submission of an application. Temporary residents, including those coming to this state seeking medical care, are excluded from eligibility with the exception of migrant workers.

Income and expenses are measured for the prior consecutive 12-month period in which the expenses were incurred. The Catastrophic Illness in Children Relief Fund is unique in that it reviews expenses on a retroactive basis. The Fund reviews expenses for a prior consecutive 12-month period of time dating back to 1988 which is the year the statute was enacted. All expenses are reviewed by the Commission and are subject to established caps and program regulations.

State Significance

A summary of health insurance tables for New Jersey residents for 2006 was released by the New Jersey Department of Health and Senior Services, Center for Health Statistics. The data, derived from the *Current Population Survey: Annual Demographic File, 2003-2007, Bureau of the Census*, estimated that there were 299,274 uninsured children in New Jersey under 19 years of age. This number was reported as 13.6 percent of children in the State.

The Commission has seen that the cost of coverage remains a significant obstacle in access to health insurance for many families in New Jersey. For those families with insurance who applied for assistance, their health coverage was seriously inadequate for the medical needs of the child.

In New Jersey, health insurance is tied to employment for most families. Loss of employment often leads to loss of health benefits. Once a parent no longer has health coverage through a job, the family is often unable to afford the full cost of health premiums. For many parents, loss of employment is a frequent result after long hours away from work caring for a seriously ill child, driving to physician offices, and sitting in hospital rooms. With a struggling economy, jobs are harder to find, and parents are not making a seamless transition to other employment.

Costs for health care are increasing, particularly for hospital, physician, and pharmacy services. Employers are increasingly passing on costs for employee and/or dependent coverage to employees in the form of larger premiums, higher deductibles, and co-payments. The downgrading of benefits by employers continues.

Employers who offer self-funded health plans, including unions, are covered by the federal Employee Retirement Income Security Act of 1974 (ERISA) and may offer insurance coverage which is exempt from state insurance regulation and mandated benefits. These self-funded plans provide more choice for employers in containment of health costs and are increasingly seen in applications to The Fund. Self-funded health plans had previously experienced bankruptcy, indicating that this approach to health coverage can add to the volatility of the insurance marketplace.

Although subsidized health coverage for uninsured children is available through NJ FamilyCare, the federal Children's Health Insurance Program, some families may experience a lapse in coverage when a child may have uncovered medical expenses. The Commission has the ability to fill in these gaps and may provide financial assistance for those families.

Since its inception in 1989, the Commission has filled a need in providing financial relief for families from a wide socioeconomic range. A great majority of the families employed, had some form of insurance, and yet was still vulnerable to personal and financial distress from catastrophic medical costs. Historical data supports that the Commission has approved \$115M to assist over 4,800 families with health care and related expenses that were otherwise uncovered by insurance or any other resource, including, but not limited to, state or Federal funds. Remarkably, awards have ranged from \$280 to \$907,585. Family income levels span from \$0 to \$638,797. However, in SFY08 awards ranged from \$690 to \$100,000 with the family income levels spanning from \$0 to \$314,590. Significant efforts have been made since The Fund's inception, and will continue to be made, to assure that all New Jersey families are aware of The Fund's existence.

Catastrophic Illness in Children Relief Fund Commission

In January 2008, Governor Corzine signed amending legislation establishing the Commission in the Executive Branch of the New Jersey State government. The Commission is allocated within the New Jersey Department of Human Services (DHS), but not withstanding that allocation, the Commission is independent from any supervision or control by the department or by any board or officer thereof. The Commission is assigned to DHS for administrative purposes.

In SFY08, the Commission membership consisted of 12 members: five members ex officio and seven members appointed from the public by the Governor with the advice and consent of the Senate for terms of five years. Two of the public members must be providers of health care services for children in this State. The ex officio members are the Commissioners of DHS, the NJ Department of Health and Senior Services (DHSS), the NJ Department of Children and Families (DCF), the NJ Department of Banking and Insurance (DOBI), and the NJ Department of Treasury.

Responsibilities of the State Office of the Commission

The State Office of the Commission is responsible for administering The Fund on a day-to-day basis and maintaining confidential files on all applicant families. The Fund is operated within the intent and provisions of its statute, program regulations, and compliance with Commission policies and decisions.

Staff in the State Office of the Commission provides guidance needed by the family to initially submit provider bills to insurance, seek Charity Care determinations, or otherwise utilize available resources before submitting an application for financial assistance. Staff provides information for families in utilizing health care services and understanding reimbursement systems.

Coordination with Special Child, Adult and Early Intervention Services

The enacting legislation requires that The Fund work in conjunction with Special Child, Adult and Early Intervention Services (SCAEIS) in DHSS. The Commission has continued its grant to SCAEIS for contracted services from the Special Child Health Services (SCHS) Case Management Units in each county to ensure that families have access to program information and referral at the local level.

Public Information

In SFY08, the Commission's Public Information Plan was designed to enhance public awareness of the Fund through paid advertising, community outreach and public relations efforts. The distinct and creative designs, which identify the Program, were re-designed with input from Winning Edge Communications (WEC), staff and the Executive Director. New tri-fold fliers were printed in both English and Spanish. WEC was awarded the contract to become the new advertising/public relations firm for the Fund, effective 10/22/07 and terminating 10/31/10. The unique 800-phone number continued to be available to the public as the Family Information Line, 1-800-335-FUND. The Fund's website is also available for the public, www.njcatastrophicfund.org.

Emphasis this year has shifted to a concerted effort to get the name and number of the Fund more visible to the public eye. Vital to this campaign was the posting of bus kings advertising in several New Jersey counties and on routes close to major medical centers and children's hospitals. Presentations to groups not familiar with the Fund or those who are in contact with families continued, as well as exhibits at conferences and conventions. Enhancing this effort was the purchase of two large banner displays, created and designed by WEC with input from the Executive Director and staff. Follow-up with community organizations, schools, individual families and small groups representing parents with disabled children continued and when possible presentations to these groups were completed.

Other efforts included the Commission's annual press event with Governor Corzine who welcomed families who had received an award from the Commission in SFY08 to the State House on December 13, 2007. The Commission's Annual Meeting was held on June 20, 2008 where the Commission joined the Family Advisory Committee (FAC) and guests. The FAC Annual Meeting was held in conjunction with The Fund's 20th Anniversary celebration at the Governor's Mansion, Drumthwacket. Approximately 100 guests attended the event which included key legislators, commission members, staff and 10 families. The FAC supports the Commission in disseminating program information at the local level. In SFY08, the FAC had 68 active families.

Collection and Accounting of the Fund

In accordance with the provisions of *P.L. 1987, C.370*, the Commission is responsible for assessing a \$1.50 annual surcharge per employee for all employers subject to the New Jersey Unemployment Compensation Law, *R.S. 43:31-1 et seq.* The surcharge is collected to provide revenue to meet the purposes of The Fund. The surcharge is collected by the State Department of Labor and Workforce Development (LWD) and paid over to the State Treasurer for deposit into The Fund. Interest earned on the money collected is credited to The Fund.

CATASTROPHIC ILLNESS IN CHILDREN RELIEF FUND
Fund Balance

	ACTUAL FY 07	ACTUAL FY 08
REVENUES:		
FUND BALANCE JULY 1	\$ 5,691,886	\$4,000,442
SERVICES AND ASSESSMENTS	\$ 6,472,027	\$9,895,201
INVESTMENT EARNINGS	\$ 300,320	\$ 184,404
TOTAL REVENUE	\$ 12,464,233	\$14,080,047
EXPENDITURES:		
PHYSICAL AND MENTAL HEALTH	\$ (101,703)	\$ (103,737)
GOV DIRECTION, MANAGEMENT & CONTROL	\$ (7,263,983)	\$ (6,637,092)
OPERATING EXPENSES	\$ (1,098,105)	\$ (1,291,431)
TOTAL EXPENDITURES	\$ (8,463,791)	\$ (8,032,260)
OTHER FINANCIAL USES:		
N/A		
TOTAL OTHER FINANCIAL USES	\$	\$
TOTAL EXPENDITURES & OTHER FINANCIAL	\$ (8,463,791)	\$ (8,032,260)
FUND BALANCE JUNE 30	\$ 4,000,442	\$ 6,047,787

Financial Statements on revenue, expenditures and other financial issues of the Fund were prepared utilizing figures provided by the State Department of Treasury and annotated by fiscal staff of the Catastrophic Illness in Children Relief Fund Commission.

In SFY08, the Commission processed 391 applications. Of those applications, the Commission approved \$7.1M for 311 families. Although ineligible for assistance from the Fund, 34 families were referred for other state resources as appropriate. Thirty-two applications did not meet The Fund's financial eligibility threshold. Two applications were ineligible based on residency. (See Table)

TOTAL AWARDS APPROVED	\$7.1M
TOTAL APPLICATIONS APPROVED	311
Range of Awards	\$690 - \$100,000
Average	\$22,232
Range of Income	\$0 - \$314,590
Average	\$54,846
Average Expense: Income	80%

Applications reviewed by the Commission reflected a range of uncovered expenses among families in need. Awards approved by the Commission in SFY08 ranged from \$690 - \$100,000. Similarly, the range of expense-to-income threshold was as dramatic as the range in awards. Families meeting eligibility had uncovered expenses between 10 percent and 1462 percent of income.

The range in income status of applicant families continues to increase. Families with higher incomes realize that the Fund is a viable resource when uncovered medical expenses become proportionately high for them. (See Chart)

CATASTROPHIC ILLNESS IN CHILDREN RELIEF FUND COMMISSION
AWARDS BY INCOME
SFY08

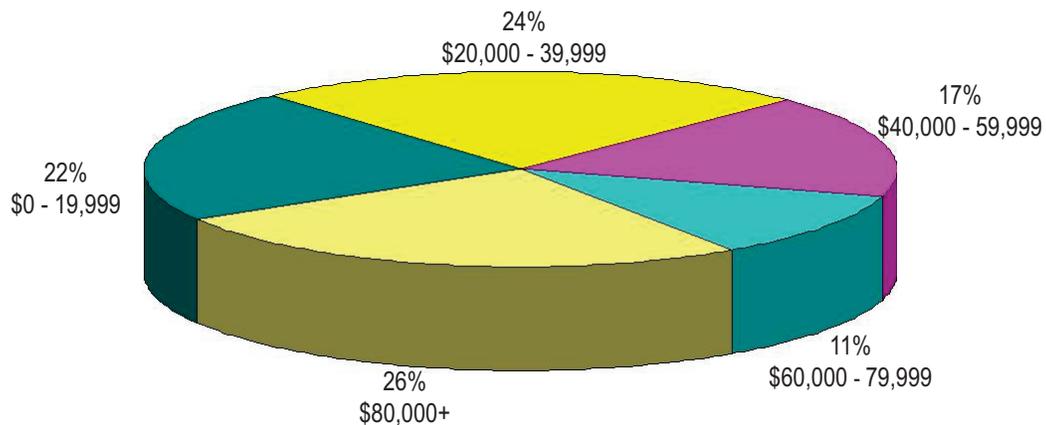


Table 1

**CATASTROPHIC ILLNESS IN CHILDREN RELIEF FUND COMMISSION
APPLICATIONS BY COUNTY SFY08**

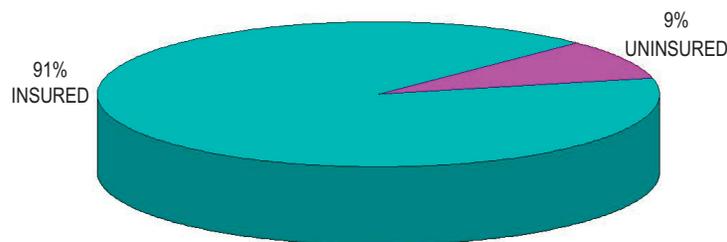
COUNTY	TOTAL REVIEWED	ELIGIBLE	INELIGIBLE	EXPENSES	COMMISSION APPROVED	FUND DISTRIBUTION
ATLANTIC	4	4	0	139,936	139,936	139,936
BERGEN	38	36	2	1,100,773	879,959	849,622
BURLINGTON	23	18	5	710,553	605,208	570,208
CAMDEN	19	15	4	252,212	252,212	252,212
CAPE MAY	7	7	0	101,147	101,147	88,766
CUMBERLAND	4	4	0	233,144	143,407	143,407
ESSEX	14	14	0	416,643	416,643	407,487
GLOUCESTER	11	11	0	209,759	207,616	209,759
HUDSON	9	9	0	136,046	136,046	120,939
HUNTERDON	3	3	0	12,840	12,840	12,840
MERCER	20	18	2	621,473	575,784	534,149
MIDDLESEX	27	24	3	623,981	623,981	572,205
MONMOUTH	28	26	2	636,781	636,781	606,095
MORRIS	18	16	2	469,162	469,162	436,668
OCEAN	57	53	4	689,917	689,430	620,492
PASSAIC	24	22	2	597,183	554,698	474,344
SALEM	0	0	0	0	0	0
SOMERSET	7	6	1	86,806	86,806	80,929
SUSSEX	5	3	2	117,241	117,241	109,997
UNION	23	19	4	380,014	380,014	365,014
WARREN	3	3	0	71,520	71,520	71,520
OUT OF STATE	1	0	1	0	0	0
TOTALS	345	311	34	\$7,607,131	\$7,100,431	\$6,666,589

***Utilization of regulatory caps combined with standardized discounts saved The Fund over \$940,000 in SFY08.**

Insurance Status of Eligible Parents, SFY08

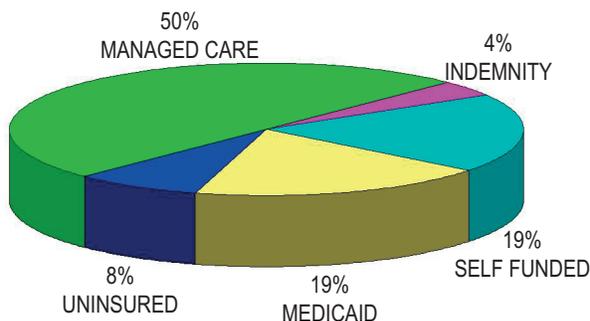
Some form of insurance covered the majority of families eligible for assistance regardless of employment status. More than 91 percent of the families were insured and still had extraordinary out-of-pocket expenses incurred in the care of a child. (See Chart)

CATASTROPHIC ILLNESS IN CHILDREN RELIEF FUND COMMISSION
UNINSURED ELIGIBLE POPULATION, SFY08

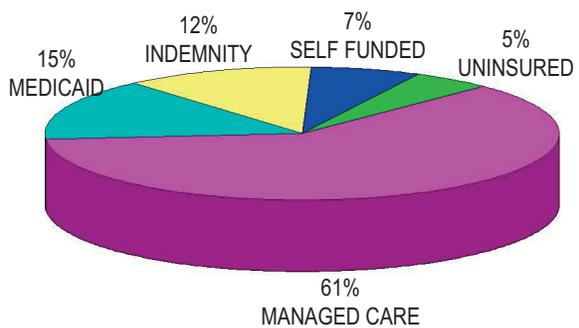


An analysis of applications by employment status reflects that the majority of the employed and self-employed parents (n=315) was insured by either private insurance or Medicaid. Of the employed parents (n=274), 4 percent were covered by indemnity plans, 50 percent were covered by managed care, 19 percent were covered by self funded, and 19 percent were covered by Medicaid. These self-funded plans represent a combination of health plans that are outside the regulatory jurisdiction of DOBI and DHSS. They may include, but are not limited to, trade unions and most self-funded employer groups that have an ERISA exemption, which excludes them from offering the state mandated benefits as part of their insurance plans. Of the self-employed parents (n=41), 12 percent were covered by indemnity plans, 61 percent were covered by managed care, 7 percent were covered by self-funded plans and 15 percent were covered by Medicaid. The uninsured for each group reflects eight and five percent, respectively. (See Charts)

CATASTROPHIC ILLNESS IN CHILDREN RELIEF
FUND COMMISSION INSURANCE STATUS
EMPLOYED PARENTS, SFY08

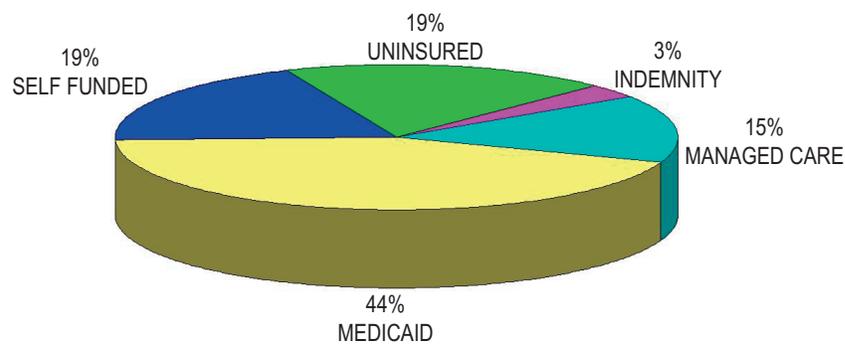


CATASTROPHIC ILLNESS IN CHILDREN RELIEF FUND
COMMISSION INSURANCE STATUS
SELF-EMPLOYED PARENTS, SFY08



The unemployed parents eligible for Fund assistance (n=32) confirms that insurance is connected to employment. Of this group, 15 percent were covered by managed care, 3 percent were covered by indemnity plans, 19 percent were covered by self funded plans, and 44 percent had Medicaid coverage for the child. The uninsured in this group of parents was 19 percent. Some parents, though unemployed, were able to continue insurance through the Consolidated Omnibus Budget Reconciliation Act when it was available and affordable. Others had insurance coverage available only for a short period of time after employment ended. Many were uninsured, as they were unable to purchase insurance directly due to the high cost of self-pay coverage. (See Chart)

CATASTROPHIC ILLNESS IN CHILDREN RELIEF FUND COMMISSION
INSURANCE STATUS
UNEMPLOYED PARENTS, SFY08



Families who continue to be uninsured at the time the Commission reviews an application are referred by the State Office of the Commission to appropriate state agencies for information on available insurance products and government programs. Families who appeared eligible for other programs are referred as well.

Public Need for the Fund

In SFY08, 391 eligible families sought assistance for uncovered expenses due to a variety of circumstances.

Assistance offset expenses for the following general categories:

- <1% Pre-existing condition
- 2% Lack preauthorization
- 30% Expenses exceeded charges allowed by insurance
- 67% Non-covered services

In SFY08, 30 families eligible for financial assistance were uninsured. This represents 9 percent of the eligible families. The Commission anticipates a continued demand for The Fund by parents whose expenses were incurred during a break in health insurance coverage.

In SFY08, the Commission reviewed one application for expenses dating back to 2001. It may review expenses dating back to 1988.

Review of Appeals

In SFY08, the Commission reviewed six appeals and reversed the initial determination of ineligibility for one application.

Review of Withdrawn Applications

This category reflects applications which have been reviewed by staff and have less than five percent of uncovered expenses or lack documentation to determine eligibility. Families may request the application be reopened in the future if they are able to provide additional information. In SFY08, a staff member from The Fund reviewed 46 previously withdrawn applications. The findings revealed that 10 of the 46 applications were eligible after families provided the required information. The Commission awarded a total of \$213,457 for the 10 eligible applications.

Review of Lawsuit Recoveries

The State Office monitors all legal actions and lawsuits reported by families. During this time period, there was reimbursement to The Fund from four settlements of legal actions relating to applications.

Review of Categories of Eligible Health Services

The Fund considers a broad range of health services, including medical and other services, which may not always be reimbursable under traditional health insurance policies. Additionally, The Fund is unique in that it considers non traditional health expenses such as home modifications and the purchase/lease of a specialized, modified vehicle to accommodate a child’s disability and modifications to subsequent vehicles purchased by a family. The Fund does not reimburse for special education services required as a result of medical condition or elective cosmetic surgery.

Chapter 10:155 identifies the categories of health services that are considered as eligible, which a family may submit for review to the Commission. The following summarizes the unduplicated count of categories of eligible health services considered for payment in applications approved by the Commission in SFY08.

Category of Eligible Health Service	Average
Physician Services	61%
Transportation	60%
Health Insurance Premium	41%
Pharmacy	41%
Specialized Pediatric Ambulatory Care	32%
Hospital, In State	28%
Home Modification	17%
Durable Medical Equipment	17%
Disposable Medical Supplies	17%
Ancillary Services	14%
Hospital, Out of State	13%
Temporary Shelter	7%
Specialty Hospital, In State	5%
Home Health Care	3%
Specialty Hospital, Out of State	2%
Telephone	<1%
Long Term Care	<1%
Funeral Expenses	<1%
Experimental Services	<1%

Review of Medical Conditions

Families apply to the Catastrophic Illness in Children Relief Fund for their children's medical expenses, which result from an illness or health related condition. The illness or condition is assigned the appropriate diagnostic code based on Ingenix, Encoder Pro, a web-based service.

Encoder Pro provides the International Classification of Diseases World Health Organization's Ninth Revision, Clinical Modifications ICD-9-CM codes and descriptions based on the official U.S. Department of Health and Human Services ICD-9-CM codes effective each current year. ICD-9-CM classifies morbidity and mortality information for statistical purposes, indexing of hospital records by disease and operations, data storage and retrieval. It is designed with precise codes and a classification system that indexes health related conditions, diseases, and procedures, which help describe the clinical picture of the person and is used to classify morbidity data when compiling basic health statistics. The codes can contain up to five digits whenever a greater specificity of a diagnosis is required.

The ICD-9-CM is based on the official version of the Ninth Revision, International Classification of Diseases (ICD-9).

The following is an unduplicated list of diagnoses and conditions presented to the Commission in SFY08. The list is comprised of both physical and mental health diagnoses, which have generated medical expenses, deemed eligible by the Catastrophic Illness in Children Relief Fund Commission.

Catastrophic Illness in Children Relief Fund Commission
Unduplicated List of Diagnoses/Conditions
In SFY08 Eligible Applications

Diagnoses (N=360)	Code	Diagnoses (N=360)	Code
Abnormality of Gait	781.2	Athetoid Cerebral Palsy	333.71
Achondroplasia	756.4	Attention Deficit Disorder With Hyperactivity	314.01
Acute Appendicitis	540	Autistic Disorder	299.0
Acute Appendicitis, with Generalized Peritonitis	540.0	Autosomal Deletion Syndromes	758.3
Acute Appendicitis, without Mention of Peritonitis	540.9	Bacterial Meningitis	320
Acute Hepatic Failure	570	Barrett's Esophagus	530.85
Acute Lymphoid Leukemia	204.0	Bilateral Cleft Palate with Cleft Lip	749.23
Acute Lymphoid Leukemia, without Mention of Remission	204.00	Bilateral Fractures of the Lower Epiphysis (Separation)	821.22
Acute Pharyngitis	462	Bipolar Disorder, Most Recent Episode (or Current) Mixed-Mild	296.61
Acute Respiratory Failure	518.81	Bipolar Disorder, Unspecified	296.8
Acute Upper Respiratory Infections of Multiple or Unspecified Sites	465.9	Bipolar I Disorder, Most Recent Episode Manic Unspecified	296.4
Acute, but Ill-Defined Cerebrovascular Disease	436	Bipolar I Disorder, Most Recent Episode Depressed, Unspecified	296.5
Adjustment Disorder with Anxiety	309.24	Blindness and Low Vision	369.0
Adjustment Disorder with Mixed Anxiety and Depressed Mood	309.28	Boderline Personality Disorder	301.83
Adjustment Disorder with Mixed Disturbance of Emotions and Conduct	309.4	Bulimia Nervosa	307.51
Allergic Gastroenteritis and Colitis	558.3	Burn, Unspecified	949
Allergic Rhinitis	477	Cannabis Dependence, Unspecified Abuse	304.3
Alternation Esotropia	378.05	Celiac Disease	579.0
Angelman's Syndrome	759.89	Cerebral Artery Occlusion, Unspecified	434.9
Anomalies of Intestinal Fixation, Malrotation	751.4	Cerebral Lipidoses	330.1
Anomalies of Pulmonary Valve, Stenosis, Congenital	746.02	Cerebral Palsy	343.9
Anomalies of the Cerebrovascular System	747.81	Cerebral Palsy, Diplegia	343.0
Anomalous Atrioventricular Excitation	426.7	Certain Congenital Musculoskeletal Deformities of Skull, Face and Jaw	754
Anorexia Nervosa	307.1	Cholelithiasis, without Mention of Cholecystitis or Obstruction	574.20
Anxiety Disorder	300.0	Chromosomal Anomalies	758
Aphasia	784.3	Chronic Glomerulonephritis with Lesion of Chronic Glomerulonephritis	582.2
Aplastic Anemia, Unspecified	284.9	Chronic Respiratory Disease Arising in the Perinatal Period	770.7
Appendicitis, Unqualified	541	Chronic Respiratory Failure	518.83
Apraxia	784.69	Chronic Serous Otitis Media	381.1
Ascites	789.5	Classical Migraine without Mention of Intractable Migraine	346.0
Aseptic Necrosis of Bone, Head and Neck of Femur	733.4	Cleft Lip, Unspecified	749.10
Asthma	493	Cleft Palate and Cleft Lip	749
Asthma, Unspecified	493.9	Cleft Palate and Cleft Lip, Unilateral, Complete	749.21
Ataxia-Telangiectasia	334.8	Cleft Palate with Cleft Lip, Unilateral, Incomplete	749.22

Diagnoses (N=360)	Code	Diagnoses (N=360)	Code
Cleft Palate with Cleft Lip, Unspecified	749.2	DiGeorge's Syndrome	279.11
Closed Fracture of Upper End of Tibia	823	Diplopia	368.2
Coarctation of Aorta	747.41	Disease of Tricuspid Valve	397
Common Truncus-Absent Septum between Aorta and Pulmonary Artery	745.0	Diseases of Hard Tissues of Teeth	521
Complete Transposition of Great Vessels	745.10	Disorder of Visual Cortex	377.7
Complications of Internal (Biological) (Synthetic) Prosthetic Device	996.78	Disorders of Amino-Acid Transport and Metabolism	270.0
Complications of Transplanted Organ, Liver	996.82	Disorders of Fatty Acid Oxidation	277.85
Compression of Brain	348.4	Disorders of Optic Nerve and Visual Pathways, Papilledema	377
Concussion, with Moderate Loss of Consciousness	850.2	Disorders of Visual Cortex Associated with Neoplasms	377.71
Congenital Cytomegalovirus Infection	771.1	Disorders Resulting from Impaired Renal Function	588
Congenital Dislocation of Hip	754.3	Disturbances of Amino-Acid Transport	270.0
Congenital Hereditary Muscular Dystrophy	359.0	Down's Syndrome	758.0
Congenital Hydrocephalus	742.3	Drug Dependence, Opioid Type, Continuous	304.01
Congenital Obstruction of Ureteropelvic Junction	753.21	Duchenne Muscular Dystrophy	359.1
Contracture of Joint, Hand	718.44	Dysfunction of Eustachian Tube	381.81
Contracture of Tendon (Sheath)	727.81	Dysphagia	787.2
Convulsions	780.3	Dysphagia, Unspecified	787.20
Corrected Transposition of Great Vessels	745.12	Dysthymic Disorder	300.4
Cortex (Cerebral) Contusion without Mention of Open Intracranial Wound	851.00	Edwards' Syndrome	758.2
Cortical Blindness	377.75	Emphysematous Bleb	492
Craniosynostosis	756.0	Encephalopathy, not Elsewhere Classified	348.3
Cystic Fibrosis	277.0	Epidermolysis Bullosa	757.39
Cystic Kidney Disease, Unspecified	753.10	Epilepsy and Recurrent Seizures	345
Decubitus Ulcer	707.0	Epilepsy, Unspecified	345.9
Delayed Milestones	783.42	Equinus Deformity of Foot, Acquired	736.72
Dental Caries	521.0	Esophageal Reflux	530.81
Depressive Disorder, not Elsewhere Classified	311	Esophagitis	530.1
Developmental Delay	783.4	Essential Hypertension, Unspecified	401.9
Developmental Dyslexia	315.02	Extreme Fetal Immaturity, 500-749 Grams	765.02
Diabetes Insipidus	253.5	Extrinsic Asthma	493.0
Diabetes Mellitus Type I	250.01	Facial Nerve Injury	767.5
Diabetes with Other Specified Manifestations	250.8	Facial Weakness	781.94
Diaphragmatic Hernia	553.3	Failure to Thrive	783.41
Diarrhea	787.91	Familial Dysautonomia	742.8

Diagnoses (N=360)	Code	Diagnoses (N=360)	Code
Feeding Difficulties and Mismanagement	783.3	Infantile Paralysis Cerebral Palsy, Quadriplegic	343.2
Fever	780.6	Inguinal Hernia without Mention of Obstruction or Gangrene, Bilateral	550.92
Flaccid Hemiplegia	342.0	Injury to Heart, without Mention of Open Wound to Thorax	861.0
Fracture of Ankle, Lateral Malleolus, Closed	824.2	Intracranial Abscess	324.0
Fracture of Mandible, Closed, Symphysis of Body	802.26	Intracranial Injury of Other and Unspecified Nature	854
Fracture of Other Tarsal and Metatarsal Bones, Closed	825.25	Intraventricular Hemorrhage	772.13
Fracture of Vertebral Column with Spinal Cord Injury	806	Iritis Acute or Subacute	364
Fracture of Vertebral Column with Spinal Cord Injury, Cervical, Closed	806.0	Irritable Bowel Syndrome	564.1
Functional Disorders of Polymorphonuclear Neutrophils	288.1	Juvenile Rheumatoid Arthritis, Chronic or Unspecified	714.30
Gastroenteritis, NOS	558.9	Kummell's Disease or Spondylitis	721.70
Generalized Anxiety Disorder	300.02	Kyphoscoliosis and Scoliosis, Idiopathic	737.30
Generalized Convulsive Epilepsy	345.1	Lack of Coordination	781.3
Generalized Nonconvulsive Epilepsy	345.0	Late Effect of Intracranial Injury without Mention of Skull Fracture	907.0
Glaucoma	365	Lupus Erythematosus	695.4
Hearing Loss	389	Lymphoid Leukemia	204
Hemangioma of Other Sites	228.09	Major Depressive Disorder, Recurrent Episode, Moderate	296.32
Hemangioma of Skin and Subcutaneous Tissue	228.01	Major Depressive Disorder, Recurrent Episode, Unspecified	296.30
Hemangioma, Any Site	228.0	Major Depressive Disorder, Single Episode	296.25
Hematemesis	578.0	Major Depressive Disorder, Single Episode, Unspecified	296.20
Hemiparesis	342.0	Major Depressive Disorder, without Mention of Psychotic Behavior	296.23
Hemiplegia	342.9	Major Depressive Disorder, Recurrent Episode	296.3
Hemiplegia, Unspecified, Affecting Dominant Side	342.91	Major Depressive Disorder, Recurrent Severe	296.33
Hemophagocytic Syndrome	288.4	Major Depressive Disorder, Single Episode, Moderate	296.22
Hereditary Spastic Paraplegia	334.1	Malabsorption, Unspecified	579.9
Hirschprung's Disease, Other Functional Disorders of Colon	751.3	Malignant Neoplasm of Adrenal Gland	194.0
Hodgkin's Disease, Unspecified	201.9	Malignant Neoplasm of Bone, Long Bones of Lower Limb	170.7
Hydronephrosis	591	Malignant Neoplasm of Brain	191
Hyperkinetic Syndrome of Childhood, without Mention of Hyperactivity	314.00	Malignant Neoplasm of Brain, Unspecified	191.9
Hypertensive Chronic Kidney Disease, Unspecified with Renal Failure	403.91	Malignant Neoplasm of Brain, Cerebellum	191.6
Hypertrophic Obstructive Cardiomyopathy	425.1	Malignant Neoplasm of Kidney and Other and Unspecified Urinary Organs	189
Hypertrophy of Tonsils	474.11	Malignant Neoplasm of Kidney, Except Pelvis	189.0
Hypophosphatasia	275.3	Malignant Neoplasm of Ovary	183.0
Hypoplastic Right Heart Syndrome	746.7	Malignant Neoplasm of the Eye	190
Hypospadias	752.61	Malignant Neoplasm Unspecified Parts of Nervous System, Cranial Nerves	192.0
Hypoxic-Ischemic Encephalopathy	768.7	Malignant Neoplasm, Other Specified Sites of Uterine Adnexa	183.8
Impairment of Auditory Discrimination	388.43	Malocclusion, Unspecified	524.4

Diagnoses (N=360)	Code	Diagnoses (N=360)	Code
Microphthalmos, Unspecified	743.1	Other Congenital Anomalies of Heart	746
Mild Mental Retardation	317	Other Congenital Anomalies of Nervous System, Microcephaly	742.1
Mixed Receptive-Expressive Language Disorder	315.32	Other Congenital Anomalies of the Circulatory System	747
Multiple Pregnancy-Twins	761.5	Other Constitutional Aplastic Anemia (Fanconi's Anemia)	284.09
Muscular Calcification and Ossification	782.1	Other Convulsions	780.39
Muscular Wasting and Disuse Atrophy, not Elsewhere Classified	728.2	Other Diseases of Larynx, not Elsewhere Classified	478.74
Myoclonus	333.2	Other Endocardial Cushion Defects	745.69
Necrotizing Enterocolitis of Fetus or Newborn	777.5	Other Esophagitis	530.19
Neoplasm, Digestive System	239.0	Other Forms of Retinal Detachment	361.8
Neoplasms of Unspecified Nature, Brain	239.6	Other Lymphatic and Hematopoietic Tissue (Myeloplastic Dysplasia)	238.7
Nephritis and Nephropathy, not Specified as Acute or Chronic	583.2	Other Preterm Infants, 1250-1499 Grams	765.15
Nephrotic Syndrome with Unspecified Pathological Lesion in Kidney	581.9	Other Preterm Infants, 1500-1749 Grams	765.16
Neurogenic Bladder	596.54	Other Preterm Infants, 24 Completed Weeks of Gestation	765.22
Non Dependent Abuse of Drugs	305.0	Other Preterm Infants, 27-28 Completed Weeks of Gestation	765.24
Non Suppurative Otitis Media, Not Specified as Acute or Chronic	381.4	Other Preterm Infants, 31-32 Completed Weeks of Gestation	765.26
Non Suppurative Otitis Media and Eustachian Tube Disorders	381	Other Preterm Infants, 33-34 Completed Weeks of Gestation	765.27
Obsessive Compulsive Disorder	300.3	Other Preterm Infants, 35-36 Completed Weeks of Gestation	765.28
Obsessive Compulsive Personality Disorder	301.4	Other Pulmonary Heart Disease	415.19
Obstructive Hydrocephalus	331.4	Other Pulmonary Insufficiency not Elsewhere Classified	518.82
Open Fracture of T1-T6 Level With Unspecified Spinal Cord Injury	806.3	Other Specified Anomalies of the Brain	742.4
Open Wound of Face, Unspecified Site	873.40	Other Specified Conditions Involving the Integument of Fetus	778.8
Opioid Dependence	304.00	Other Specified Diseases of the Jaws; Unilateral Condylar Hypoplasia	526.89
Oppositional Defiant Disorder	313.81	Other Specified Disorders of Metabolism	277.8
Optic Atrophy, Unspecified	377.1	Other Specified Gastritis	535.4
Orthostatic Hypotension	458	Other Specified Pervasive Developmental Disorders	299.8
Osteogenesis Imperfecta	756.51	Other Specified Viral Hepatitis without Mention of Hepatic Coma	070.5
Osteoporosis	733.0	Other Speech Disturbance	784.5
Other Abnormal Auditory Perception	388.4	Other Spinocerebellar Diseases	334.8
Other Abnormal Auditory Perceptions, Hyperacusis	388.42	Other Spontaneous Pneumothorax	512.8
Other and Unspecified Congenital Anomalies	759	Other Symbolic Dysfunction	784.6
Other Anomalies of Larynx, Trachea and Bronchus	748.3	Other Symptoms Involving Respiratory System and Other Chest Symptoms	786.09
Other Bacterial Pneumonia	482	Pain in Joint and Ankle	719.47
Other Cellulitis and Abscess, Unspecified Site	682.9	Paraplegia	344.1
Other Conduct Disorder	312.89	Paroxysmal Supra Ventricular Tachycardia	427

Diagnoses (N=360)	Code	Diagnoses (N=360)	Code
Patent Ductus Arteriosus	747.0	Septo-optic Dysplasia	743
Periventricular Leukomalacia	779.7	Severe Mental Retardation	318.1
Personality Change Due to Conditions Classified Elsewhere	310.1	Short Stature	783.43
Pervasive Developmental Disorder	299	Sickle Cell Disease (BgbSS) with Crisis	282.62
Phenylketonuria	270.1	Spasm of Muscle	728.85
Pigmentary Retinal Dystrophy	362.74	Spina Bifida with Hydrocephalus	741.0
Pituitary Dwarfism	253.3	Spina Bifida with Hydrocephalus, Lumbar Region	741.03
Pneumoconiosis	505	Spina Bifida without Mention of Hydrocephalus	741.9
Pneumonia, Organism Unspecified	486	Spinal Muscular Atrophy	335.1
Pneumonitis Due to Inhalation of Food or Vomitus	507	Strabismus and Other Disorders of Binocular Eye Movements	378
Poising by Unspecified Drug or Medicinal Substance	977.9	Sturge Weber Syndrome	759.6
Polysubstance Dependence	304.80	Subdural Hemorrhage	432.1
Post Infectious Encephalitis, Myelitis, and Encephalomyelitis	323.6	Suppurative and Unspecified Otitis Media	382.0
Post Traumatic Stress Disorder	309.81	Symptoms Involving Digestive System	787
Prader-Willi Syndrome	759.81	Symptoms Involving Nervous and Musculoskeletal Systems	781.9
Primary Apnea of Newborn	770.81	Tear of Medial Cartilage or Meniscus of Knee, Current	836.0
Profound Impairment, Both Eyes, Level Not Further Specified	369.00	Tetralogy of Fallot	745.2
Ptosis of Eyelid	374.3	Thalassemia	282.49
Pulmonary Hypertension, Secondary	416.8	Toxic Effect, Mercury	985.0
Pulmonary Valve Disorders	424.3	Tracheoesophageal Fistula, Esophageal Atresia and Stenosis	750.3
Pulpitis	522	Tracheomalacia	748.3
Quadriplegia and Quadriparesis (C1-C4 Complete)	344.01	Transitory Tachypnea of Newborn	770.6
Reactive Attachment Disorder of Early Childhood	313.89	Transposition of Great Vessels-Double Outlet Right Ventricle	745.11
Reduction Deformity of Brain	742.2	Undescended Testis	752.51
Reflux Esophagitis	530.11	Undiagnosed Cardiac Murmurs	785.2
Regional Enteritis	55.0	Unspecific Delay in Development	315.9
Respiratory Distress Syndrome	768	Unspecified Adjustment Disorder	309.9
Retractile Testis	752.52	Unspecified Anomaly of the Heart	746.9
Rett Syndrome	330.8	Unspecified Condition of the Brain	348.9
Rhizomelic Chondrodysplasia Punctata	277.86	Unspecified Conditions of the Tongue	529.9
Schizoaffective Disorder, Unspecified	295.70	Unspecified Disorder of Muscle, Ligament and Fascia	728.9
Sensorineural Hearing Loss	389.1	Unspecified Disturbance of Conduct	312.9
Sensorineural Hearing Loss, Bilateral	389.11	Unspecified Emotional Disturbance of Childhood or Adolescence	313.9
Sensorineural Hearing Loss, Unspecified	389.10	Unspecified Episodic Mood Disorder	296.90
Septicemia of Newborn	771.81	Unspecified Fetal Growth Retardation, 1750-1999 Grams	764.97

Diagnoses (N=360)	Code
Unspecified Immunity Deficiency	279.3
Unspecified Intestinal Malabsorption	519.9
Unspecified Internal Derangement of Knee	717.9
Unspecified Intestinal Malabsorption	560.9
Unspecified Nonpsychotic Mental Disorder	300.9
Unspecified Septicemia	038.9
Unspecified Symptom Associated with Female Genital Organs	625.9
Vascular Hematomas	757.32
Venous Embolism & Thrombosis of Deep Vessels Distal Lower Extremity	453.42
Ventricular Septal Defect	745.4
Verbal Apraxia	784.49
Vitamin Deficiency, B12	266.2
Voice Disturbance, Other	784.40
Von Willebrand's Disease	286.4

Fiscal Issues

The Commission continued prudent fiscal practices in SFY08 that preserved resources for families applying for financial assistance. In addition to implementing various regulatory caps, staff continued the practice of successfully negotiating discounts on all large balance accounts. All families were held harmless from any of these balances. Implementation of these regulatory and non-regulatory provisions realized savings in excess of \$940,000 in SFY08. (See Table 1, page 11) Since the discount policy was adopted, the Commission realized savings in excess of \$14.3M.

In January 2008, Governor Corzine signed amending legislation establishing the Commission in the Executive Branch of the New Jersey State government. The Commission voted to support new legislation that would increase the assessment from \$1 per employee to \$1.50. In previous discussions, the Commission received bipartisan support of this proposal. The administration as well as all other stakeholders including the New Jersey Business and Industry Association support the fee increase. In May 2007, Senators Vitale and Rice sponsored S.2633, which increases the assessment; the first increase in the funding mechanism in the history of The Fund. This increase will enable the Commission to continue to meet its mandate by providing financial assistance to families. Additionally, the bill memorializes the Commission's independent status.

With the support of Senator Lautenberg, the State Office of the Commission has reached out to the federal government to explore the possibility of receiving financial support for its federal employees who work in New Jersey. Approximately 61,000 civilian military employees and 11,000 federal employees work in New Jersey, and the federal government may make its first contribution to The Fund.

Public Information Efforts

Winning Edge Communications (WEC) was awarded the contract to become the new advertising/public relations firm for the Fund, effective 10/22/2007 and terminating 10/31/2010. Emphasis this year has shifted to a concerted effort to get the name and number of the Fund more visible to the public eye. Vital to this campaign was the posting of bus kings advertising in several New Jersey counties and on routes close to major medical centers and children's hospitals. Presentations to groups not familiar with the Fund or those who are in contact with families continued, as well as exhibits at conferences and conventions. Enhancing this effort was the purchase of two large banner displays, created and designed by WEC with input from the Executive Director and staff. Follow-up with community organizations, schools, individual families and small groups representing parents with disabled children continued and when possible presentations to these groups were completed. Collaboration continued with NJN. The program's general service announcement (GSA) continued to run at various times. The GSA was nominated for an Emmy Award and a plaque commemorating this was presented to Chairperson of the Commission, Jane Lorber. The Fund has seen a significant increase in the number of requested and received applications.

In February 2008, the Executive Director returned to Washington, DC for a conference sponsored by the Catalyst Center, Boston University School of Public Health to provide information and updates to several states that have expressed an interest in starting their own Catastrophic Illness in Children Fund. Other invited guests included the states of Connecticut, Illinois, North Carolina, Colorado, Rhode Island and Washington, DC. The Catalyst Center is a national center dedicated to improving health insurance and financing for children and youth with special health care needs.

In February 2008, the Executive Director also was invited by the State of Connecticut's Office of the Child Advocate and the Commission on Children to appear before the State Assembly's Select Committee on Children to discuss the creation and operation of New Jersey's Catastrophic Illness in Children Relief Fund program. Currently, the State of Connecticut is in the process of creating a similar program for the families in their state.

The Executive Director and staff are in the process of creating a new simplified version of the program's application. When a family requests an application they will now receive a one page initial application screening tool rather than the previous eight page application. Once eligibility is established, the family will receive an additional packet which is approximately four pages long. The goal is to have the initial application posted on the program's website.

Testimonials

Families from all economic backgrounds applied for assistance and were extremely grateful for their financial support. The following testimonials from recipient families validate the success and effectiveness of The Fund.

"You have made us so happy, and we appreciate all your help. Now my son is more comfortable! Thank God, and thank you Catastrophic Illness and Staff. My son does not talk, but I know, I can see and feel the difference in him."
(Union County, Parent of 7 year old)

"We cannot begin to express the tremendous gratitude we feel. The Fund has helped us TWICE with the on-going financial burden we've had from our son's medical expenses. Your help has meant the world to us." (Morris County-Parent of 15 year old)

"Thank you and your staff for your assistance. It is very much appreciated. The timing could not be better, as I just lost my job." (Bergen County-Parent of 9 year old)

"We would like to thank the Commission for reviewing and approving our eligibility for financial assistance. Our son is a happy young boy who has come a long way in the last few months. We have been lucky to have a supportive medical team taking care of him. Again, we want to thank you for your generosity-this help will be invaluable to us." (Burlington County-Parent of 2 year old.)

"I want to thank you and everyone involved for the help of this award! There is no possible way I could have come out from under this financial burden on my own. What a wonderful service you provide!! I feel free! I've told so many people about you since and the many services you provide. I commend you all for the work you do and the hope you provide. Thank you from the bottom of my heart." (Gloucester County-Parent of 10 year old)

"Thank you so much for the financial assistance with our son's medical bills. We are so appreciative....it takes a great deal of stress off of us. Our son is doing well, and again, thank you for your help-it has made a world of difference."
(Cumberland County-parent of 13 year old)

Conclusion

Any family in New Jersey may find needed financial assistance from the Catastrophic Illness in Children Relief Fund if their child's uncovered medical expenses have become catastrophic for that family. Because The Fund assists such a broad segment of the population, it is not possible to focus on a limited audience for dissemination of public information. Rather, it is necessary to identify a variety of target audiences involved with children and to diversify advertising efforts as efficiently and cost effectively as possible in order to reach those audiences statewide.

The public needs program information to be available directly as well as through traditional sources of information, such as: health care providers, state, and community organizations. The Commission's PIP in SFY08 provided for such dissemination of information.

Combined efforts by the Commission, staff, FAC volunteer parents and advertising vendors provided the public with access to information on the valuable state resource of the Catastrophic Illness in Children Relief Fund. With an active PIP in place, the Commission is committed to publicizing to its expanded population.

§ 26:2-148. Legislative findings and declarations

The Legislature finds and declares that:

- a. Although the majority of Americans are covered by some form of health insurance, families nevertheless lack protection against the high cost of chronic or single episodes of serious illness that may destroy their resources. An illness resulting in this potentially devastating financial consequence is referred to as a catastrophic illness.
- b. Catastrophic illnesses often threaten to push some families into bankruptcy and others toward seeking inferior medical care and present a major problem for this nation's health care system in that catastrophic illnesses account for over 20% of this nation's health expenditures.
- c. The impact of catastrophic illnesses on the family is especially acute in that children have the highest average medical costs among the population as a whole.
- d. It is the public policy of this State that each child of this State should have access to quality health care and adequate protection against the extraordinarily high costs of health care services which are determined to be catastrophic and severely impact upon a child and his family.
- e. To this end, it is incumbent upon the State to provide assistance to children and their families whose medical expenses extend beyond the families' available resources.

L. 1987,c.370, §1, eff. Jan.7, 1988.

§ 26:2-149. Definitions relative to catastrophic illness in children

As used in this act:

- a. "Catastrophic illness" means any illness or condition the medical expenses of which are not covered by any other State or federal program or any insurance contract and exceed 10% of the first \$100,000 of annual income of a family plus 15% of the excess income over \$100,000.
- b. "Child" means a person 21 years of age and under.
- c. "Commission" means the Catastrophic Illness in Children Relief Fund Commission.
- d. "Family" means a child and the child's parent, parents or legal guardian, as the case may be, who is legally responsible for the child's medical expenses.
- e. "Fund" means the Catastrophic Illness in Children Relief Fund.
- f. "Income" means all income, from whatever source derived, actually received by a family.
- g. "Resident" means a person legally domiciled within the State for a period of three months immediately preceding the date of application for inclusion in the program. Mere seasonal or temporary residence within the State, of whatever duration, does not constitute domicile. Absence from this State for a period of 12 months or more is prima

facie evidence of abandonment of domicile. The burden of establishing legal domicile within the State is upon the parent or legal guardian of a child.

L. 1987, c. 370, § 2; amended 1993, c. 103, § 1; 1998, c. 143, § 1, eff. Dec. 21, 1998, retroactive to Jan. 1, 1998; 2003, c. 260, § 1, eff. Jan. 14, 2004.

§ 26:2-150. Catastrophic Illness in Children Relief Fund

The "Catastrophic Illness in Children Relief Fund" is established as a nonlapsing, revolving fund. The fund shall be administered by the commission, and shall be credited with monies received pursuant to section 10 of this act.

The State Treasurer is the custodian of the fund and all disbursements from the fund shall be made by the treasurer upon vouchers signed by the chairman of the commission. The monies in the fund shall be invested and reinvested by the Director of the Division of Investment in the Department of the Treasury as are other trust funds in the custody of the State Treasurer in the manner provided by law. Interest received on the monies in the fund shall be credited to the fund.

P.L. 1987,c.370.

§ 26:2-151. Catastrophic Illness in Children Relief Fund Commission

There is established in the Executive Branch of the State government, the Catastrophic Illness in Children Relief Fund Commission. For the purposes of complying with the provisions of Article V, section IV, paragraph 1 of the New Jersey Constitution, the commission is allocated within the Department of Human Services, but notwithstanding that allocation, the commission shall be independent of any supervision or control by the department or by any board or officer thereof.

The commission shall consist of the Commissioner of Health and Senior Services, the Commissioner of Human Services, the Commissioner of Children and Families, the Commissioner of Banking and Insurance, and the State Treasurer, who shall be members ex officio, and seven public members who are residents of this State, appointed by the Governor with the advice and consent of the Senate for terms of five years, two of whom are appointed upon the recommendation of the President of the Senate, one of whom is a provider of health care services to children in this State and two of whom are appointed upon the recommendation of the Speaker of the General Assembly, one of whom is a provider of health care services to children in this State. The five public members first appointed by the Governor shall serve for terms of one, two, three, four and five years, respectively.

Each member shall hold office for the term of his appointment and until his successor has been appointed and qualified. A member of the commission is eligible for reappointment.

Each ex officio member of the commission may designate an officer or employee of his department to represent him at meetings of the commission, and each designee may lawfully vote and otherwise act on behalf of the member for whom he constitutes the designee. Any designation shall be in writing delivered to the commission and filed with the office of the Secretary of State and shall continue in effect until revoked or amended in the same manner as provided for designation.

L. 1987, c. 370, § 4; amended 1993, c. 103, § 2; 1994, c. 149, § 1; 1998, c. 143, § 2, eff. Dec. 21, 1998, retroactive to Jan. 1, 1998; 2006, c. 47, § 105, eff. July 1, 2006; 2007, c. 342, § 1, eff. Jan. 13, 2008.

§ 26:2-152. Suspension; oaths; vacancies

Each member of the commission may be removed from office by the Governor, for cause, after a public hearing and may be suspended by the Governor pending the completion of the hearing. Each member of the commission before entering upon his duties shall take and subscribe an oath to perform the duties of his office faithfully, impartially and justly to the best of his ability. A record of the oaths shall be filed in the office of the Secretary of State.

Any vacancies in the membership of the commission occurring other than by the expiration of a term shall be filled in the same manner as the original appointment, but for the unexpired term only.

L. 1987, c. 370, § 5.

§ 26:2-153. Officers; quorum

The members shall elect a chairperson and chief executive officer of the commission who shall be one of the public members of the commission. The commission shall by rule determine the term of office of the chairperson and chief executive officer. The members shall elect a secretary and a treasurer who need not be members of the commission and the same person may be elected to serve both as secretary and treasurer.

The powers of the commission are vested in the members thereof in office from time to time and six members of the commission shall constitute a quorum at any meeting thereof. Action may be taken and motions and resolutions adopted by the commission at any meeting thereof by the affirmative vote of at least six members of the commission. A vacancy in the membership of the commission shall not impair the right of a quorum to exercise all the powers and perform all the duties of the commission.

The members of the commission shall serve without compensation, but the commission shall reimburse its members for the reasonable expenses incurred in the performance of their duties based upon the monies available in the fund.

The commission shall be appointed within three months after the effective date of this act and shall organize as soon as may be practicable after the appointment of its members.

L. 1987, c. 370, § 6; amended L. 1994, c. 149, § 2.

§ 26:2-154. Powers and duties of commission

The commission has, but is not limited to, the following powers and duties:

- a. Establish in conjunction with the Special Child Health Services program established pursuant to P.L.1948, c.444 (C.26:1A-2 et seq.) a program for the purposes of this act, administer the fund and authorize the payment or reimbursement of the medical expenses of children with catastrophic illnesses;
- b. Establish procedures for application to the program, determining the eligibility for the payment or reimbursement of medical expenses for each child, and processing fund awards and appeals. The commission shall also establish procedures to provide that, in the case of an illness or condition for which the family, after receiving assistance pursuant to this act, recovers damages for the child's medical expenses pursuant to a settlement or judgment in a legal action,

the family shall reimburse the fund for the amount of assistance received, or that portion thereof covered by the amount of the damages less the expense of recovery;

c. Establish the amount of reimbursement for the medical expenses of each child using a sliding fee scale based on a family's ability to pay for medical expenses which takes into account family size, family income and assets and family medical expenses and adjust the financial eligibility criteria established pursuant to subsection a. of section 2 of this act based upon the monies available in the fund;

d. Disseminate information on the fund and the program to the public;

e. Adopt bylaws for the regulation of its affairs and the conduct of its business, adopt an official seal and alter the same at pleasure, maintain an office at the place within the State as it may designate, and sue and be sued in its own name;

f. Appoint, retain or employ staff, experts or consultants on a contract basis or otherwise, who are deemed necessary, and employ investigators or other professionally qualified personnel who may be in the noncompetitive division of the career service of the Civil Service, and as may be within the limits of funds appropriated or otherwise made available to it for its purposes;

g. Maintain confidential records on each child who applies for assistance under the fund;

h. Do all other acts and things necessary or convenient to carry out the purposes of this act; and

i. Adopt rules and regulations in accordance with the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) necessary to effectuate the purposes of this act.

L. 1987, c. 370, § 7; amended 1998, c. 143, § 3, eff. Dec. 21, 1998, retroactive to Jan. 1, 1998; 2003, c. 260, § 2, eff. Jan. 14, 2004.

§ 26:2-154.1. Settlement of claims; disposition of recovered moneys

The commission is authorized to negotiate or settle a claim that the fund maintains for reimbursement against a family who has received assistance for the medical expenses of a child with a catastrophic illness pursuant to P.L.1987, c.370 (C.26:2-148 et seq.) and has recovered damages in a legal action for the child's medical expenses. Money recovered pursuant to this section shall be deposited in the fund.

L. 1993, c. 103, § 3.

§ 26:2-155. Eligibility

A child who is a resident of this State is eligible, through his parent or legal guardian, to apply to the program established pursuant to subsection a. of section 7 of this act.

L. 1987, c. 370, § 8; amended 1998, c. 143, § 4, eff. Dec. 21, 1998, retroactive to Jan. 1, 1998.

§ 26:2-156. Financial assistance

Whenever a child has a catastrophic illness and is eligible for the program, the child, through his parent or legal guardian, shall receive financial assistance from monies in the fund subject to the rules and regulations established by the commission and the availability of monies in the fund. The financial assistance shall include, but is not limited to, payments or reimbursements for the cost of medical treatment, hospital care, drugs, nursing care and physician services.

L. 1987, c. 370, § 9; amended 1998, c. 143, § 5, eff. Dec. 21, 1998, retroactive to Jan. 1, 1998; 2003, c. 260, § 3, eff. Jan. 14, 2004.

§ 26:2-157. Annual surcharge per employee under unemployment compensation fund for relief fund

For the purpose of providing the moneys necessary to establish and meet the purposes of the fund, the commission shall establish a \$ 1.50 annual surcharge per employee for all employers who are subject to the New Jersey "Unemployment Compensation Law," R.S. 43:21-1 et seq. The surcharge shall be collected by the controller for the New Jersey Unemployment Compensation Fund and paid over to the State Treasurer for deposit in the fund annually as provided by the commission.

L. 1987, c. 370, § 10; amended 2007, c. 342, § 2, eff. Jan. 13, 2008.

§ 26:2-158. Rules, regulations

The State Treasurer shall adopt rules and regulations in accordance with the "Administrative Procedure Act," P.L.1968, c. 410 (C. 52:14B-1 et seq.) establishing procedures for the collection of the surcharge.

L. 1987, c. 370, § 11.

§ 26:2-159. Annual report

The commission shall report annually to the Governor and to each Senate and General Assembly committee with responsibility for issues affecting children, health and human services on the status of the program. The report shall include information about the number of participants in the program, average expenditures per participant, the nature and type of catastrophic illnesses for which the fund provided financial assistance, and the average income and expenditures of families who received financial assistance under the program. The commission also may make recommendations for changes in the law and regulations governing the fund.

L. 1987, c. 370, § 12; amended 1998, c. 143, § 6, eff. Dec. 21, 1998, retroactive to Jan. 1, 1998.

§ 10:155-1.1 Purpose and scope

(a) The purpose of this subchapter is to establish criteria for eligibility and establish a standard methodology for determining the amount of financial assistance to be allocated for services of a child's health providers and vendors for families in the State of New Jersey whose child suffers from a catastrophic illness.

(b) The procedures established shall be followed by the Catastrophic Illness in Children Relief Fund Commission.

§ 10:155-1.2 Definitions

The following words and terms, as used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise.

"Act" means P.L. 1987, Chapter 370, N.J.S.A. 26:2-148 et seq. which establishes the Catastrophic Illness in Children Relief Fund.

"Batch" means a grouping of applications for the purpose of applying the provisions of N.J.A.C. 10:155-1.6, 1.7 and 1.8.

"Catastrophic Fund" or "Fund" means the Catastrophic Illness in Children Relief Fund.

"Catastrophic illness" means any illness or condition for which the incurred medical expenses not covered by any other State or Federal program or any other insurance contract or trust which allows funds to provide for the medically related needs of a child as defined in N.J.A.C. 10:155-1.14 or settlement relative to the medical condition of a child exceed 10 percent of the first \$100,000 of annual income of a family plus 15 percent of the excess income over \$100,000.

"Chairperson" means the chief executive officer of the Commission who is elected by the Commission membership from the public members for a term of one year.

"Child" means a person 21 years of age and under.

"Commission" means the 12 member Catastrophic Illness in Children Relief Fund Commission created by the Act and appointed by the Governor to administer the Fund. The Commission, chaired by a public member, is in the Executive Branch of the State government. For purposes of complying with the provisions of *Article V, section IV, paragraph 1 of the New Jersey Constitution*, the Commission is allocated within the Department of Human Services, but notwithstanding that allocation, the Commission shall be independent of any supervision or control by the Department of Human Services or by any board or officer thereof.

"Days" means calendar days.

"Eligibility standard" means that dollar amount greater than 10 percent of the first \$100,000 of annual income of a family plus 15 percent of the excess income over \$100,000.

"Executive director" means the professional employed by the Commission, in accordance with NJ Department of Personnel's procedures, to administer the Fund on a day-to-day basis on behalf of the Commission.

"Family" means a child and the child's parent, parents, or legal guardian, as the case may be, who is legally responsible for the child's medical expenses.

"Family responsibility" means the amount equal to 10 percent of the eligibility standard.

"Health insurance" means contracts, excluding automobile insurance contracts, whereby an insurer is obligated to pay or allow a benefit for the child as a named insured due to bodily injury, disablement, sickness, or because of any expense relating thereto or because of expense incurred in the prevention of sickness to include limited scope plans such as dental, vision, and prescription drug.

"Income" means the following:

1. Wages before deductions;
2. Public Assistance;
3. Social Security Benefits;
4. Supplemental Security Income;
5. Unemployment and Workman's Compensation;
6. Strike Benefits from Union Funds;
7. Veteran's Benefits;
8. Training Stipends;
9. Alimony;
10. Child Support;
11. Military Family Allotment;
12. Regular Support from Absent Family Member;
13. Pension Payments;
14. Insurance or Annuity Payments;
15. Income from Estates and Trusts;
16. Dividends;
17. Interest Income;
18. Rental Income;
19. Royalties; and
20. Other sources of income not mentioned above; however,
21. Income does not include the following money receipts: withdrawals from a bank; sale of property, house or car; tax refunds; gifts; one-time insurance payments; or compensation from injury, unless the injury directly relates to a child's condition which is the basis for an application being made to the Fund. Also disregarded is non-cash income and any money raised by fundraising.

"Local agency" means the agency responsible for assisting families in the application process, forwarding applications to the State Office, and making appropriate referrals to other state programs and benefits.

"State Office of Catastrophic Illness in Children Relief Fund (State Office)" means the Office of the Executive Director of the Fund, which has responsibility for administering the Fund on a day-to-day basis on behalf of the Commission.

"Threshold" means the point at which a child's out-of-pocket medical expenses exceed 10 percent of the first \$100,000 of annual income of a family plus 15 percent of the excess income over \$100,000. After the child's medical expenses reach this threshold, a child has passed the initial screen for eligibility for assistance from the Fund.

§ 10:155-1.3 General requirements

(a) Pursuant to the Act, the Fund will provide assistance to families having a child with a catastrophic illness. A child shall have passed the initial screen for eligibility for the Fund's assistance when a child's incurred and verified medical expenses as specified in this chapter for a prior consecutive 12-month period exceed the amount represented by 10 percent of the first \$100,000 of verified annual income of a family plus 15 percent of the excess income over \$100,000.

1. Ten percent shall be the screen used for families whose income is \$100,000 or less.
2. Ten percent of the first \$100,000 of annual income of a family plus 15 percent of the excess income over \$100,000 shall be the screen used for families whose income is more than \$100,000.

(b) Though the child shall be referred to as being eligible at the point in the application process when the child has passed the initial screen, actual Fund disbursements on behalf of a child shall be limited by the monies available in the Fund and shall be guided by the policies and procedures outlined in the subchapter.

(c) To be eligible for assistance, a child must be a resident of the State of New Jersey. Resident means a person legally domiciled in New Jersey for a period of three months immediately preceding the initial date of application for assistance to the Fund.

1. A child's state of residence is that of the parent(s) or legal guardian.
2. Establishing proof of legal domicile within New Jersey is a responsibility of the parent or legal guardian of a child.
3. Absence from New Jersey for a period of 12 months or more is prima facie evidence of abandonment of domicile.
4. Seasonal residents in New Jersey are excluded from eligibility. Seasonal or temporary residence within the State, of whatever duration, does not constitute domicile. Migrant workers who can document a previous history of work in New Jersey are eligible for consideration.

§ 10:155-1.4 Initial application process

Applications may be submitted on a year-round basis to the local agency. The name, address, and phone number for the local agencies shall be available from the State Office. The local agency shall forward written applications on forms provided by the State Office for those children who have applied to the State Office.

§ 10:155-1.5 State Office and Commission review process

(a) Upon receipt of the application from the local agency, the State Office shall consider the providers' and vendors' charges submitted.

(b) Providers shall be able to demonstrate licensure or certification by appropriate State or Federal agencies, if requested by State Office.

(c) Prior to the Commission's batched review of applications, the State Office shall prepare a disbursement schedule for each application in accordance with *N.J.A.C. 10:155-1.6, 1.7 and 1.8*.

(d) In a cycle of batch reviews, the Commission shall review the applications and the State Office's disbursement schedule for each application based on the annual cap and the sliding payment schedule and make a decision on the Fund's level of assistance for each case. The calendar for the batch reviews shall be made available to the public by the State Office in advance of each year.

§ 10:155-1.6 Eligibility standard

Incurred, out-of-pocket medical expenses greater than 10 percent of the first \$ 100,000 of annual income for a family plus 15 percent of the excess income over \$100,000 threshold shall be required for eligibility consideration. Those expenses above the family responsibility and up to the cap shall be considered for reimbursement after the eligibility standard is determined and met (see examples in Appendix I).

§ 10:155-1.7 Annual cap and vehicle allowance; home modification allowance; speech, language and hearing allowance

a) The amount of Fund's disbursements on behalf of a child shall be capped at \$100,000 per year.

(b) A one-time vehicle allowance will be capped at \$15,000 for the purchase or a lease of a specialized vehicle. The allowance does not include modifications, which can be considered separately. The one-time vehicle allowance of \$15,000 shall be included in the total disbursement cap, in the year the vehicle allowance was disbursed.

(c) The amount of the home modification allowance shall be capped at \$25,000 per year.

(d) The amount of the speech, language and hearing services allowance shall be capped at \$3,000 per year.

§ 10:155-1.8 Sliding payment schedule

If adequate funds do not exist in the Fund at the point in time when a particular batch is being considered by the Commission to pay all applicants the amount of their expenses below the annual cap, a sliding payment schedule shall be used in an effort to distribute the available monies to applicants in an equitable way that considers a family's income, assets and other factors which impact the ability to pay for care.

§ 10:155-1.9 Allocation distribution plan

Because the Fund's actual level of assistance to families, as determined by the Commission, shall in most, if not all, cases be less than the child's medical expenses, the Commission shall determine how the Fund's available monies shall be distributed among eligible providers and vendors. Input from the family shall be sought in the analysis preceding this determination, with guidance from the State Office.

§ 10:155-1.10 Local agency responsibilities

The local agency shall make referrals and assist in the application process for other programs and benefits (for example, Medicaid, Hospital Charity Care, and other programs), where applicable.

§ 10:155-1.11 State office responsibilities

(a) The State office shall:

1. Screen applications to determine whether a child's eligible medical expenses exceed 10 percent of the first \$100,000 of annual income of a family plus 15 percent of the excess income over \$100,000;
2. Maintain oversight to the local agency responsible for assisting families with Program, accepting applications and providing local outreach/information;
3. Administer the Fund on a day-to-day basis on behalf of the Commission;
4. Monitor providers eligibility (that is, certification or other credentials);
5. Consider the reasonableness of providers and vendor charges;
6. Prepare applications for review and consideration of the Commission; and
7. Oversee payments to providers, vendors and, in some cases, to families.

§ 10:155-1.12 Commission responsibilities

(a) The Catastrophic Illness in Children Relief Fund Commission shall be responsible to:

1. Develop policies and procedures for operation of the Fund;
2. Meet to review and make decisions on applications of families for financial assistance in regularly scheduled cycles; and
3. Negotiate or settle the recovery of funds disbursed in accordance with the provisions of this chapter.

§ 10:155-1.13 Time period for measuring expenses and income

In screening a child/family for eligibility for the Fund, expenses and income shall be measured by any prior consecutive 12-month time period. The income will be reported for the same prior consecutive 12-month time period back to January 1988. In addition, a supplemental statement of income and expenses may be submitted at the request of the State Office. Applications shall be accepted any time throughout the year.

§ 10:155-1.14 Eligible health services

(a) Categories of incurred health expenses which are medically-authorized in the care of a child with an illness or condition eligible for consideration in assessing whether a family has reached its eligibility threshold of exceeding 10 percent of the first \$100,000 of annual income of a family plus exceeding 15 percent of the excess income over \$100,000 include, but are not limited to, the following:

1. Physician-authorized ancillaries (labs, x-rays);
2. Specialized pediatric ambulatory care, including physician-authorized rehabilitative therapies (for example, speech, occupational, and physical), physician-authorized care for treatment of addiction disorders and mental health care, dental care, eye care, chiropractic care;
3. Care in an acute hospital in New Jersey (treatment for acute and chronic conditions and treatment of addiction disorders and mental health conditions);
4. Care in acute hospitals in other states (treatment for acute and chronic conditions, and treatment of addiction disorders and mental health conditions as well as highly specialized care such as organ transplants);
5. Physicians and nursing services in all settings, including primary care (preventive care) and immunization services (for example, office, hospital);
6. Care in specialty hospitals (for example, rehabilitative, psychiatric);
7. Long term care (respite care, hospice care, residential care, or other care);
8. Home health care (physician-authorized home health aide, physician-authorized public health nurse, physician-authorized private duty nurse or other care);
9. Pharmaceuticals (physician-authorized Federal Drug Administration approved over-the-counter and prescription drugs related to the medical condition and physician-authorized Federal Drug Administration approved medical formulas);
10. Disposable medical supplies (physician-authorized over-the-counter and prescribed supplies);
11. Durable medical equipment (for example, physician-authorized ventilators, prostheses);
12. Home modification that is related to the medical condition of the child at the time the expenses were incurred;
13. Purchase of a specialized leased or specialized, modified vehicle and any subsequent modifications that are related to the medical condition of the child at the time the expenses were incurred; and
14. Experimental medical treatment/experimental drugs which are recognized by Federal or State agencies and provided by licensed health care providers. Applications involving experimental treatment/experimental drugs may require additional review.

(b) Categories of incurred health-related expenses are eligible for consideration in assessing whether a family has

reached its eligibility threshold of exceeding 10 percent of the first \$100,000 of annual income of a family plus exceeding 15 percent of the excess income over \$100,000 include:

1. Family transportation and travel-related expenses including, but not limited to, mileage allowance, tolls, parking receipts, temporary shelter costs and telephone calls related to medical condition.

(c) Fifty percent of a health insurance premium including supplemental and dependent coverage that is paid by a family, not to exceed 50 percent of total eligible expenses, when accompanied by eligible expenses in (a) or (b) above.

§ 10:155-1.15 Ineligible health services

(a) Categories of health and health-related expenses which are not eligible for consideration in assessing whether a family has reached its eligibility threshold of exceeding 10 percent of the first \$100,000 of annual income of a family plus exceeding 15 percent of the excess income over \$100,000 shall include, but are not limited to, the following:

1. Special education required as result of medical condition;
2. Elective cosmetic surgery/treatment; and
3. Modifications to vacation and secondary homes.

§ 10:155-1.16 Administration of payments

(a) The State Office shall oversee processing of payments from the Fund. Though in general payments shall be made directly to providers and vendors, consideration shall be given to making payments directly to families.

(b) Items in *N.J.A.C. 10:155-1.14*, Eligible health services, shall be considered for payments.

(c) For the purpose of providing the moneys necessary to establish and meet the purposes of the Fund, the Commission shall establish a \$ 1.50 annual surcharge per employee for all employers who are subject to the New Jersey "Unemployment Compensation Law," N.J.S.A. 43:21-1 et seq. The surcharge shall be collected by the Controller for the New Jersey Unemployment Compensation Fund and paid over to the State Treasurer for deposit in the Fund annually as provided by the Commission.

§ 10:155-1.17 Appeal process

(a) The following applies to the appeals:

1. Upon receipt of a determination by the State Office, an applicant who disputes that determination may appeal to the Catastrophic Illness in Children Relief Fund Commission by filing a written appeal to:

Catastrophic Illness in Children Relief Fund Commission
PO Box 0728
Trenton, NJ 08625-0728
Attn: Chairperson

2. Appeals must be received at the above address no later than 30 days from the date of notice of the determination made by the State Office. The Commission may waive the deadline for cause.

3. The written appeal shall include all reasons and grounds for disputing the determination made by the State Office and all proof and documentation in support of the appeal.

4. The Commission shall conduct such review and analysis as is necessary to reach a decision on the appeal. At its discretion, the Commission may direct a conference to be convened with the applicant, or may refer the matter to the Office of Administrative Law pursuant to the Administrative Procedure Act, *N.J.S.A. 52:14B-1* et seq., and the Uniform Administrative Procedure Rules, *N.J.A.C. 1:1*.

5. Except for appeals referred to the Office of Administrative Law, the Commission shall render a decision on the appeal within 180 days from the date of original receipt of the appeal. Appeals referred to the Office of Administrative Law shall be decided by the Commission within 45 days from the date of filing of the Initial Decision of the Administrative Law Judge, or at such later date as permitted by law.

6. A decision made by the Commission shall be final. It may be appealed to the Superior Court of New Jersey as permitted by court rules.

(b) Unless otherwise specifically ordered by the Commission, an applicant may not receive benefits from the Catastrophic Illness in Children Relief Fund while an appeal is pending at any level.

§ 10:155-1.18 Special cases

(a) Special cases shall be referred to the Commission for its review and consideration. Special cases shall include, but are not limited to, the following:

1. In special cases in which a family has more than one child with a catastrophic illness (as defined by expenses in excess of the 10 percent of the first \$100,000 of annual income of a family plus 15 percent of the excess income over \$100,000 threshold for each child), consideration shall be given to waiving the family responsibility as outlined in *N.J.A.C. 10:155-1.2* for the other child/children given that the family would have already met the family responsibility for the first child in a State fiscal year.

2. For special hardship cases that come before the Commission during a batch cycle, after the standard disbursement guidelines have been applied to each case in the batch and sufficient monies remain in the Fund, consideration shall be given to waiving the standard disbursement guidelines (that is, the family responsibility and the cap as outlined in *N.J.A.C. 10:155-1.2* and *1.7*).

§ 10:155-1.19 Confidentiality of information

Information received pursuant to the duties required by the Act shall not be disclosed publicly in such a manner as to identify individuals unless special circumstances require such disclosure and the proper notice is served and parent or legal guardian's consent is given, as may be necessary for pending legal proceedings.

§ 10:155-1.20 Recovery of Commission expenses

(a) If a family receives assistance from the Fund for a child, in accordance with this chapter, and subsequently recovers damages or a financial award for the child's medical expenses, pursuant to a settlement or judgment in a legal action, the family shall reimburse the Fund for either:

1. The amount of assistance received from the Fund; or

2. The portion of assistance received for the injury, illness or condition covered by the damage or judgment, less the family's expenses of recovery.

(b) The Commission may negotiate or settle the recovery of such claims, for cause presented by the family to the Commission.

Examples of Catastrophic Illness in Children Relief Fund Program⁺

The examples below illustrate the extent to which the Fund would assist three families with different income levels.

FAMILY #1 (with income of \$ 30,000)

Family income:	\$ 30,000
Eligibility Standard (Exceeding 10% of income):	3,000
Amount of Eligible Medical Expenses not Covered by Insurance:	15,000
Family Responsibility (Exceeding 10% of Eligibility Standard):	300
Amount of Fund's Financial Assistance to Family:	14,700
Amount for which Family remains responsible:	300

FAMILY #2 (with income of \$ 80,000)

Family income:	\$80,000
Eligibility Standard (Exceeding 10% of income):	8,000
Amount of Eligible Medical Expenses not Covered by Insurance:	15,000
Family Responsibility (Exceeding 10% of Eligibility Standard):	800
Amount of Fund's Financial Assistance to Family:	14,200
Amount for which Family remains responsible:	800

FAMILY #3 (with income of \$ 120,000)

Family income:	\$ 120,000
Eligibility Standard:	13,000
Exceeding 10% of the first \$ 100,000 or 10,000	
Exceeding 15% of the excess over \$ 100,000 or 3,000	
Amount of Eligible Medical Expenses not Covered by Insurance:	15,000
Family Responsibility (Exceeding 10% of Eligibility Standard):	1,300
Amount of Fund's Financial Assistance to Family:	13,700
Amount for which Family remains responsible:	1,300

⁺Assuming: an annual \$ 100,000 cap; adequate monies available in Fund obviating need for additional restrictions and cost-sharing; and none of the cases are in the "special" category.