

**LEGISLATIVE FISCAL ESTIMATE**  
**ASSEMBLY, No. 2144**  
**STATE OF NEW JERSEY**  
**220th LEGISLATURE**

DATED: AUGUST 22, 2022

**SUMMARY**

**Synopsis:** Provides Medicaid coverage for certain home visitation program services under certain circumstances.

**Type of Impact:** Annual State expenditure increase; potential annual State revenue increase.

**Agencies Affected:** Department of Children and Families, Department of Human Services.

**Office of Legislative Services Estimate**

<b>Fiscal Impact</b>	<b><u>Annual</u></b>
<b>State Cost Increase</b>	\$9.7 million to \$17.0 million
<b>Potential State Revenue Increase</b>	\$4.8 million to \$8.5 million

- The Office of Legislative Services (OLS) concludes that annual State Medicaid costs will increase between \$9.7 million and \$17.0 million to provide Medicaid coverage for case management and preventive services provided to Medicaid enrollees who receive home visitation services from a registered professional nurse or other trained professional through the New Jersey Home Visiting Initiative. The range of State costs depends upon the number of initiative participants who are enrolled in the Medicaid program, as specified under the bill.
- Contingent upon federal approval of the State's application for a Medicaid waiver or state plan amendment, the State will receive between \$4.8 million and \$8.5 million in annual federal matching funds for eligible State Medicaid expenditures through the New Jersey Home Visiting Initiative.

**BILL DESCRIPTION**

This bill provides Medicaid coverage for case management services and preventive services provided through the New Jersey Home Visiting Initiative, provided that:

- (1) the recipient of the services is a Medicaid-eligible person and is pregnant;
- (2) services begin when the recipient is pregnant and discontinue three years following the birth of the recipient's child; and

(3) the provider of services is a registered professional nurse or other professional who has successfully completed the training required by the home visiting models that participate in the initiative.

The bill additionally requires the Commissioner of Human Services to apply for such State plan amendments or waivers as may be necessary to secure federal financial participation for State Medicaid expenditures under the federal Medicaid program.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None received.

### ***OFFICE OF LEGISLATIVE SERVICES***

The OLS estimates that annual State costs would increase between \$9.7 million and \$17.0 million to provide Medicaid coverage for case management and preventive services provided to Medicaid enrollees who receive home visitation services from a registered professional nurse or other trained professional through the New Jersey Home Visiting Initiative. The range of costs would vary, depending on the number of initiative participants who are enrolled in the Medicaid program, as specified under the bill.

According to 2020 data from the New Jersey Pregnancy Risk Assessment Monitoring System, 39.7 percent of pregnant individuals surveyed reported that they received at least one home visit during pregnancy and also had Medicaid coverage for prenatal care. The potential spread of Medicaid-enrolled individuals who received a home visit during pregnancy ranges from a low of 29.1 percent to a high of 51.3 percent. The lower bound of potential State costs under the bill assume that 29.1 percent of initiative participants are enrolled in Medicaid, while the upper bound assumes that 51.3 percent of participants have Medicaid coverage.

Estimated costs under the bill assume an average service duration of six months, at an average cost of \$500 per member per month, as reported by the Department of Human Services (DHS) in the NJ FamilyCare Comprehensive Demonstration Renewal (February 2022). The Department of Children and Families, in response to FY 2023 OLS Discussion Points, additionally anticipates serving 5,534 families through the existing New Jersey Home Visiting Initiative in each of fiscal years 2023 through 2025, which number excludes the 500 families that will be newly authorized under the New Jersey Home Visiting pilot program included in the State's Comprehensive Demonstration program.

The OLS is unable to anticipate the number of individuals per family that receive services through the New Jersey Home Visiting Initiative, and these data are not publicly reported. However, the DHS, in providing NJ FamilyCare services for pregnant individuals, counts a pregnant individual as two persons. The OLS, therefore, assumes that each family receiving services under the bill is comprised of two members. If the number of individual family members receiving services under the bill is substantially higher, associated costs will increase accordingly.

Contingent upon federal approval of the State's application for a Medicaid waiver or state plan amendment, the State will receive between \$4.8 million and \$8.5 million in annual federal matching funds for eligible State Medicaid expenditures for case management and preventive services through the New Jersey Home Visiting Initiative.

The New Jersey Home Visiting Initiative, which operates under the Department of Children and Families, offers evidence-based services to improve the physical and emotional well-being of

infants, children, and their families by providing community-based education and in-home support to high-risk pregnant women and parents of children up to age three years. Licensed practitioners or certified home visitors provide an array of services through the initiative including, but not limited to: depression screening, medical assessment of the postpartum mother and infant, child development screenings, and parenting skills. Three Statewide home visiting models, each of which provide specific services to particular populations, participate in the New Jersey Home Visiting Initiative: Nurse-Family Partnership, Healthy Families America, and Parents as Teachers.

*Section: Human Services*

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This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).