

## NEW JERSEY

### I. Political Environment<sup>1</sup>

**A. GOVERNOR:** Jon Corzine (**D**); 1st Term/53% - Re-election year: 2009

**Leadership/interest in health care reform:** The Governor proposed covering an additional 37,000 children and parents through SCHIP and Medicaid in the FY08 budget.

### B. LEGISLATURE

**House/Assembly: 50D/30R**

Speaker: Joseph Robert (**D**)

**Senate: 23D/17R**

President of the Senate: Richard J. Codey (**D**)

### II. State Health Insurance Coverage<sup>2</sup>

#### A. State Health Insurance Coverage of the Non-elderly, 2005-2006

	NJ		US
	#	%	%
ESI	5,381,786	71%	61%
Medicaid	601,646	8%	13%
Individual Insurance	242,160	3%	5%
Other Public	97,063	1%	2%
Uninsured	1,270,767	17%	18%
Uninsured < 200% FPL	712,157	56%	65%

**B. Federal Matching Rate (FMAP) FY2008: 50%**

#### C. Medicaid Eligibility by FPL

Children	350%
Non-Working Parents	115%

### III. History of state health reform

New Jersey policy makers have been drafting a “blueprint for coverage,” of the state’s uninsured, spearheaded by state Senator Joseph Vitale and the New Jersey Health Care Quality Institute. This proposal for universal health coverage has received cautious support from Governor Corzine and other New Jersey lawmakers. The proposal will likely be introduced in two parts. The first part will include the expansion of FamilyCare. The second component will be the implementation of the state sponsored, subsidized health insurance plan.

New Jersey has federal approval to enroll parents up to 200% FPL. However, several years ago the enrollment of new adults was frozen due to budgetary constraints. Senator Vitale introduced and was successful in passing the Family Health Care Coverage Act of 2005 to streamline the application process

<sup>1</sup> State Yellow Book: A Leadership Directory, Winter 2008

<sup>2</sup> State Medicaid Fact Sheet – The Kaiser Commission on Medicaid and the Uninsured. Link: <http://www.statehealthfacts.org/mfs.jsp?rgn=32&rgn=1&x=13&y=12>

and once again begin to incrementally enroll parents. Now, parents with a family income up to 115% FPL can enroll in NJ FamilyCare.

New Jersey created a program in 2006 to allow families over 350% FPL to buy-in to the FamilyCare plan (an affordable plan with comprehensive benefits), and the program opened to enrollment in January 2008. (Families USA, SCI, BNA Report, Jan 4 2008) (Families USA, SCI)

#### **IV. Current fiscal conditions**

**State and Local Tax Revenue as a Percentage of Personal Income, 2005<sup>3</sup>: 11.16%**  
**US Average, 2005: 10.73%**

**State tobacco tax per pack<sup>4</sup>: \$2.575      National tobacco tax ranking: 1<sup>st</sup>**

**In 2009, New Jersey is projected to face a total budget shortfall of \$2.5 – \$3.5 billion (7.6 – 10.6% of FY 2008 general fund)<sup>5</sup>.**

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<sup>3</sup> Tax policy Center (June, 2007), "State and Local Tax Revenue as a Percentage of Personal Income, Selected Years 1997-2005". Link: <http://www.taxpolicycenter.org/taxfacts/displayafact.cfm?Docid=511>

<sup>4</sup> Tax policy Center (April, 2007), "State Cigarette Taxes, 2007"; Link: [http://www.taxpolicycenter.org/taxfacts/Content/PDF/cigarette\\_rates.pdf](http://www.taxpolicycenter.org/taxfacts/Content/PDF/cigarette_rates.pdf)

<sup>5</sup> Center on Budget and Policy Priorities (January 2008), "17 States Faces Total Budget Shortfall of At Least \$31 Billion in 2009; 11 Others Expect Budget Problems." Link: <http://www.cbpp.org/1-15-08sfp.htm>