

New Jersey expands health insurance reach

by AP-News

TRENTON, N.J. (AP) -- New Jersey on Tuesday expanded a government health insurance program to cover more low-income families and provide coverage for all children in the state.

The bill signed by Democratic Gov. Jon Corzine is viewed as the first step toward ensuring that all New Jerseyans have health insurance by 2011.

"This is a historic day for health care in New Jersey," Corzine said. "While there has been much national dialogue about universal health care, here in New Jersey we're actually doing something about it."

The bill, signed by Corzine at Raritan Bay Medical Center in Perth Amboy, mandates all children have insurance through either government or a private provider within a year.

It also expands a program for the poor to include more parents.

The NJ FamilyCare program provides free or low-cost medical exams, shots, hospitalization, lab tests, X-rays, prescription drugs and dental and mental health services to 124,000 children and 97,000 adults.

Parents in a family of four that earns up to \$27,645 are currently eligible. Under the new plan, the income limit is increased to \$42,400.

About 1.5 million New Jerseyans lack health insurance, including 275,000 children.

"New Jersey is taking a dramatic step forward in ensuring that quality health care is a fundamental right -- not a privilege -- for all state residents," said Sen. Joseph Vitale D-Middlesex, the bill sponsor.

The new \$32.86 billion state budget includes \$8 million to start the program.

Some question whether the state has the ability and money to implement the program, noting costs are soaring under Massachusetts' universal health care plan.

In 2006, a Massachusetts legislative committee estimated the law would cost \$725 million in the fiscal year starting in July, but the state may now have to spend \$869 million, with many acknowledging costs will rise even higher.

Plans by the state's largest insurer, Horizon Blue Cross Blue Shield of New Jersey, to possibly convert into a for-profit company could also bring the state billions for health care needs. The company would have to pay the state back tax breaks it's received as a nonprofit, but supporters of the plan said they're not counting on that money.

Senate Minority Leader Tom Kean Jr., R-Union, voted for the bill, but said the expanded program must be implemented properly.

"We've got to make sure the accountability measures are in place to prevent the kind of abuses we've seen," Kean said.

By Tom Hester Jr., Associated Press Writer

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