**New Legislative Session:**

The Legislature began their 217th session on January 12, 2016.  The General Assembly welcomed several new members following the November election.  The state Senate was not up for election given the fact that they are in the middle of a four year cycle.  Legislative leadership remained unchanged with Senate President Stephen Sweeney and Assembly Speaker Vincent Prieto continuing to serve in their capacities.  Assembly Republican Leader Jon Bramnick and Senate Republican Leader Tom Kean, Jr. continue to serve in their roles as well.

**Governor’s Budget:**

On Tuesday, February 16th the governor outlined his $34.8 billion budget by talking about major programs and policies such as the Transportation Trust Fund, repealing the estate tax, charity care and other well-known issues.  The governor didn't announce any specific strategy to fund the Transportation Trust Fund, responsible for funding capital transportation projects.  This program's funding formula was renewed for one year last year.  The governor continued his practice of cutting charity care by $150 million.  He also announced an increase of $127 million for Medicaid reimbursement rates to providers for behavioral health services, including substance use and mental health treatment.  The governor addressed the solvency of the state's pension fund by proposing several measures aimed at achieving cost savings. The governor spoke about education saying that the state will invest $60 million in graduate medical education for New Jersey's teaching hospitals.  The governor also spoke of increasing K-12 school aid by $100 million.  However, he also discussed the importance of continuing to fund charter schools.  Municipal aid will remain the same at the level of $1.5 billion.  The governor concluded his speech by reiterating his accomplishments and a call for bi-partisan compromise.  The Legislature has until June 30, 2016 to send the governor a balanced budget for his approval.

**Out-of-Network:**

The Out-of-Network legislaton sponsored by Senator Joseph Vitale and Assemblymen Craig Coughlin, Gary Schaer, and Troy Singleton was reintroduced earlier this year.  While a new legislation session is under way the opposition to the bill by doctor providers and many hospitals remains unchanged.  Last session, the legislation did not advance beyond Assembly committees and did not have enough support to even be posted for a committee vote in the Senate. As you may recall, Access to Care Coalition of doctor providers, the New Jersey Hospital Association, and the Medical Society of New Jersey continues to meet and strategize about this bill and we remain in contact with bill sponsors about different parts of the bill.  This legislation will not be considered until after the legislative budget break which begins in the middle of March.  At that time the Legislature only focuses on the state budget until mid-to-late April.

**Tiered Networks:**

Following the announcement and subsequent implementation of Horizon Blue Cross Blue Shield of New Jersey's OMNIA tiered insurance plans, known as the OMNIA Alliance, members of both houses of the Legislature introduced bills to regulate tiered plans and improve awareness about them.  Senators Joseph Vitale and Nia Gill introduced bills in the Senate that are being discussed, but not voted on, this month.  Assembly members Reed Gusciora and Elizabeth Muoio are sponsoring bills in the Assembly.  The Assembly has not yet announced plans to hear testimony or vote on these bills.  As with Out-of-Network nothing will happen for approximately one month between mid-March and mid-to-late April when the Legislature focuses exclusively on the state budget.