ASSEMBLY, No. 2451



STATE OF NEW JERSEY

220th LEGISLATURE



INTRODUCED FEBRUARY 14, 2022

Sponsored by:

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District 9 (Atlantic, Burlington and Ocean)

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SYNOPSIS

 “Breann’s Law” requires health insurers, the State Health Benefits Program and NJ FamilyCare to provide “out of network” coverage for children with catastrophic illnesses.

CURRENT VERSION OF TEXT

 As introduced.



An Act concerning health benefits coverage for children diagnosed with catastrophic illnesses under certain circumstances and designated as Breann’s Law, and supplementing various parts of the statutory law.

 Be It Enacted by the Senate and General Assembly of the State of New Jersey:

 1. a. As used in this section:

 "Catastrophic illness" means an acute or prolonged illness usually considered to be life-threatening or with the threat of serious residual disability.

 "Child" means a dependent child pursuant to the specific terms of the applicable contract.

 "Network" means one or more providers that participate in a selective contracting arrangement with a hospital service corporation.

 “Selective contracting arrangement” means an arrangement in which a hospital service corporation participates in selective contracting with one or more providers, and which arrangement contains reasonable benefit differentials, including, but not limited to, predetermined fee or reimbursement rates for covered benefits applicable to participating and nonparticipating providers.

 b. A hospital service corporation contract that provides hospital or medical expense benefits and is delivered, issued, executed or renewed in this State pursuant to P.L.1938, c.366 (C.17:48-1 et seq.), or approved for issuance or renewal in this State by the Commissioner of Banking and Insurance, on or after the effective date of this act, shall provide coverage for health care services provided by an out-of-network provider, if those services are provided to a child who is diagnosed with a catastrophic illness, as defined in subsection a. of this section, and the aforementioned services were performed on the basis of a referral from an in-network provider.

 c. The benefits required by subsection b. of this section shall be provided to the same extent as for any other condition for which benefits are provided in-network under the contract.

 d. This section shall apply to those hospital service corporation contracts in which the hospital service corporation has reserved the right to change the premium.

 2. a. As used in this section:

 "Catastrophic illness" means an acute or prolonged illness usually considered to be life-threatening or with the threat of serious residual disability.

 "Child" means a dependent child pursuant to the specific terms of the applicable contract.

 "Network" means one or more providers that participate in a selective contracting arrangement with a medical service corporation.

 “Selective contracting arrangement” means an arrangement in which a medical service corporation participates in selective contracting with one or more providers, and which arrangement contains reasonable benefit differentials, including, but not limited to, predetermined fee or reimbursement rates for covered benefits applicable to participating and nonparticipating providers.

 b. A medical service corporation contract that provides hospital or medical expense benefits and is delivered, issued, executed or renewed in this State pursuant to P.L.1940, c.74 (C.17:48A-1 et seq.), or approved for issuance or renewal in this State by the Commissioner of Banking and Insurance, on or after the effective date of this act, shall provide coverage for health care services provided by an out-of-network provider, if those services are provided to a child who is diagnosed with a catastrophic illness, as defined in subsection a. of this section, and the aforementioned services were performed on the basis of a referral from an in-network provider.

 c. The benefits required by subsection b. of this section shall be provided to the same extent as for any other condition for which benefits are provided in-network under the contract.

 d. This section shall apply to those medical service corporation contracts in which the medical service corporation has reserved the right to change the premium.

 3. a. As used in this section:

 "Catastrophic illness" means an acute or prolonged illness usually considered to be life-threatening or with the threat of serious residual disability.

 "Child" means a dependent child pursuant to the specific terms of the applicable contract.

 "Network" means one or more providers that participate in a selective contracting arrangement with a health service corporation.

 “Selective contracting arrangement” means an arrangement in which a health service corporation participates in selective contracting with one or more providers, and which arrangement contains reasonable benefit differentials, including, but not limited to, predetermined fee or reimbursement rates for covered benefits applicable to participating and nonparticipating providers.

 b. A health service corporation contract that provides hospital or medical expense benefits and is delivered, issued, executed or renewed in this State pursuant to P.L.1985, c.236 (C.17:48E-1 et seq.), or approved for issuance or renewal in this State by the Commissioner of Banking and Insurance, on or after the effective date of this act, shall provide coverage for health care services provided by an out-of-network provider, if those services are provided to a child who is diagnosed with a catastrophic illness, as defined in subsection a. of this section, and the aforementioned services were performed on the basis of a referral from an in-network provider.

 c. The benefits required by subsection b. of this section shall be provided to the same extent as for any other condition for which benefits are provided in-network under the contract.

 d. This section shall apply to those health service corporation contracts in which the health service corporation has reserved the right to change the premium.

 4. a. As used in this section:

 "Catastrophic illness" means an acute or prolonged illness usually considered to be life-threatening or with the threat of serious residual disability.

 "Child" means a dependent child pursuant to the specific terms of the applicable policy.

 "Network" means one or more providers that participate in a selective contracting arrangement with an insurer.

 “Selective contracting arrangement” means an arrangement in which an insurer participates in selective contracting with one or more providers, and which arrangement contains reasonable benefit differentials, including, but not limited to, predetermined fee or reimbursement rates for covered benefits applicable to participating and nonparticipating providers.

 b. A group health insurance policy that provides hospital or medical expense benefits and is delivered, issued, executed or renewed in this State pursuant to chapter 27 of Title 17B of the New Jersey Statutes, or approved for issuance or renewal in this State by the Commissioner of Banking and Insurance, on or after the effective date of this act, shall provide coverage for health care services provided by an out-of-network provider, if those services are provided to a child who is diagnosed with a catastrophic illness, as defined in subsection a. of this section, and the aforementioned services were performed on the basis of a referral from an in-network provider.

 c. The benefits required by subsection b. of this section shall be provided to the same extent as for any other condition for which benefits are provided in-network under the policy.

 d. This section shall apply to those policies in which the insurer has reserved the right to change the premium.

 5. a. As used in this section:

 "Catastrophic illness" means an acute or prolonged illness usually considered to be life-threatening or with the threat of serious residual disability.

 "Child" means a dependent child pursuant to the specific terms of the applicable health benefits plan.

 "Network" means one or more providers that participate in a selective contracting arrangement with a carrier.

 “Selective contracting arrangement” means an arrangement in which a carrier participates in selective contracting with one or more providers, and which arrangement contains reasonable benefit differentials, including, but not limited to, predetermined fee or reimbursement rates for covered benefits applicable to participating and nonparticipating providers.

 b. An individual health benefits plan that provides hospital or medical expense benefits and is delivered, issued, executed or renewed in this State pursuant to P.L.1992, c.161 (C.17B:27A-2 et seq.), on or after the effective date of this act, shall provide coverage for health care services provided by an out-of-network provider, if those services are provided to a child who is diagnosed with a catastrophic illness, as defined in subsection a. of this section, and the aforementioned services were performed on the basis of a referral from an in-network provider.

 c. The benefits required by subsection b. of this section shall be provided to the same extent as for any other condition for which benefits are provided in-network under the health benefits plan.

 d. This section shall apply to those health benefits plans in which the carrier has reserved the right to change the premium.

 6. a. As used in this section:

 "Catastrophic illness" means an acute or prolonged illness usually considered to be life-threatening or with the threat of serious residual disability.

 "Child" means a dependent child pursuant to the specific terms of the applicable health benefits plan.

 "Network" means one or more providers that participate in a selective contracting arrangement with a carrier.

 “Selective contracting arrangement” means an arrangement in which a carrier participates in selective contracting with one or more providers, and which arrangement contains reasonable benefit differentials, including, but not limited to, predetermined fee or reimbursement rates for covered benefits applicable to participating and nonparticipating providers.

 b. A small employer health benefits plan that provides hospital or medical expense benefits and is delivered, issued, executed or renewed in this State pursuant to P.L.1992, c.162 (C.17B:27A-17 et seq.), on or after the effective date of this act, shall provide coverage for health care services provided by an out-of-network provider, if those services are provided to a child who is diagnosed with a catastrophic illness, as defined in subsection a. of this section, and the aforementioned services were performed on the basis of a referral from an in-network provider.

 c. The benefits required by subsection b. of this section shall be provided to the same extent as for any other condition for which benefits are provided in-network under the health benefits plan.

 d. This section shall apply to those health benefits plans in which the carrier has reserved the right to change the premium.

 7. a. As used in this section:

 "Catastrophic illness" means an acute or prolonged illness usually considered to be life-threatening or with the threat of serious residual disability.

 "Child" means a dependent child pursuant to the specific terms of the applicable contract.

 "Network" means one or more providers that participate in a selective contracting arrangement with a health maintenance organization.

 “Selective contracting arrangement” means an arrangement in which a health maintenance organization participates in selective contracting with one or more providers, and which arrangement contains reasonable benefit differentials, including, but not limited to, predetermined fee or reimbursement rates for covered benefits applicable to participating and nonparticipating providers.

 b. A health maintenance organization contract for health care services that is delivered, issued, executed or renewed in this State pursuant to P.L.1973, c.337 (C.26:2J-1 et seq.), or approved for issuance or renewal in this State by the Commissioner of Banking and Insurance, on or after the effective date of this act, shall provide coverage for health care services provided by an out-of-network provider, if those services are provided to a child who is diagnosed with a catastrophic illness, as defined in subsection a. of this section, and the aforementioned services were performed on the basis of a referral from an in-network provider.

 c. The health care services required by subsection b. of this section shall be provided to the same extent as for any other condition for which benefits are provided in-network under the contract.

 d. This section shall apply to those contracts for health care services under which the right to change the schedule of charges for enrollee coverage is reserved.

 8. a. As used in this section:

 "Catastrophic illness" means an acute or prolonged illness usually considered to be life-threatening or with the threat of serious residual disability.

 "Child" means a dependent child pursuant to the specific terms of the applicable contract.

 "Network" means one or more providers that participate in a selective contracting arrangement with the State Health Benefits Commission.

 “Selective contracting arrangement” means an arrangement in which the State Health Benefits Commission participates in selective contracting with one or more providers, and which arrangement contains reasonable benefit differentials, including, but not limited to, predetermined fee or reimbursement rates for covered benefits applicable to participating and nonparticipating providers.

 b. The State Health Benefits Commission shall ensure that every contract purchased by the commission, on or after the effective date of this act that provides hospital or medical expense benefits, shall provide benefits for health care services provided by an out-of-network provider, if those services are provided to a child who is diagnosed with a catastrophic illness, as defined in subsection a. of this section, and the aforementioned services were performed on the basis of a referral from an in-network provider.

 c. The health care services required by subsection b. of this section shall be provided to the same extent as for any other condition for which benefits are provided in-network under the contract.

 9. a. As used in this section:

 "Catastrophic illness" means an acute or prolonged illness usually considered to be life-threatening or with the threat of serious residual disability.

 "Child" means a dependent child pursuant to the specific terms of the applicable coverage contract.

 "Network" means one or more providers that participate in a selective contracting arrangement with the NJ FamilyCare Program.

 “Selective contracting arrangement” means an arrangement in which the NJ FamilyCare Program participates in selective contracting with one or more providers, and which arrangement contains reasonable benefit differentials, including, but not limited to, predetermined fee or reimbursement rates for covered benefits applicable to participating and nonparticipating providers.

 b. The Commissioner of Human Services shall not utilize or establish any contract for health care services under the NJ FamilyCare Program, established pursuant to sections 3 through 5 of P.L.2005, c.156 (C.30:4J-10 through C.30:4J-12), after the effective date of this act, unless the contract provides benefits for health care services provided by an out-of-network provider, if those services are provided to a child who is diagnosed with a catastrophic illness, as defined in subsection a. of this section, and the aforementioned services were performed on the basis of a referral from an in-network provider.

 c. The health care services required by subsection b. of this section shall be provided to the same extent as for any other condition for which benefits are provided in-network under the contract.

 10. This act shall take effect on the 90th day after enactment.

STATEMENT

 This bill, “Breann’s Law,” is named for Breann LaManna, a young New Jersey girl who was denied “out-of-network” coverage for a life threatening illness. The bill requires health insurers, as well as the State Health Benefits Plan and NJ Family Care, to provide benefits for services provided by an “out-of-network” provider to the same extent as they would be provided if performed in-network, when the services are for a covered child who is suffering from a catastrophic illness, after a referral from an in-network provider. Catastrophic illness, is defined in the bill as an acute or prolonged illness usually considered to be life-threatening or with the threat of serious residual disability.