

# ASSEMBLY, No. 4048

## STATE OF NEW JERSEY 220th LEGISLATURE

INTRODUCED MAY 16, 2022

**Sponsored by:**

**Assemblyman DANIEL R. BENSON**

**District 14 (Mercer and Middlesex)**

**Assemblywoman ANGELA V. MCKNIGHT**

**District 31 (Hudson)**

**Assemblywoman VERLINA REYNOLDS-JACKSON**

**District 15 (Hunterdon and Mercer)**

**Assemblywoman LINDA S. CARTER**

**District 22 (Middlesex, Somerset and Union)**

**Co-Sponsored by:**

**Assemblyman Caputo, Assemblywomen Chaparro and Murphy**

**SYNOPSIS**

Requires health benefits coverage of hearing aids and cochlear implants for insureds aged 21 or younger.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 6/27/2023)**

1 AN ACT requiring health benefits coverage for hearing aids and  
2 cochlear implants, amending P.L.2008, c.126 and supplementing  
3 P.L.2007, c.103 (C 52:14-17.46).

4  
5 **BE IT ENACTED** by the Senate and General Assembly of the State  
6 of New Jersey:

7  
8 1. Section 2 of P.L.2008, c.126 (C.17:48-6gg) is amended to  
9 read as follows:

10 2. a. A hospital service corporation contract that provides  
11 hospital and medical expense benefits and is delivered, issued,  
12 executed or renewed in this State pursuant to P.L.1938, c.366  
13 (C.17:48-1 et seq.), or approved for issuance or renewal in this State  
14 by the Commissioner of Banking and Insurance, on or after the  
15 effective date of this act, shall provide coverage for medically  
16 necessary expenses incurred in the purchase of a hearing aid or  
17 cochlear implant for a covered person **[15]** 21 years of age or  
18 younger, as provided in this section.

19 b. A hospital service corporation contract shall provide  
20 coverage that includes the purchase of a hearing aid for each ear,  
21 when medically necessary and as prescribed or recommended by a  
22 licensed physician or audiologist. **[A hospital service corporation**  
23 **may limit the benefit provided in this section to \$1,000 per hearing**  
24 **aid for each hearing-impaired ear every 24 months. A covered**  
25 **person may choose a hearing aid that is priced higher than the**  
26 **benefit payable under this section and may pay the difference**  
27 **between the price of the hearing aid and the benefit payable under**  
28 **this section, without financial or contractual penalty to the provider**  
29 **of the hearing aid.]**

30 c. (1) A hospital service corporation contract shall provide  
31 coverage of the cost of treatment related to cochlear implants,  
32 including procedures for the implantation of cochlear devices and  
33 costs for any parts, attachments, or accessories of the device.

34 (2) If a contract does not have in its network a provider who can  
35 provide any part, attachment, or accessory necessary to the  
36 continued function of a preexisting cochlear implant, the contract  
37 shall cover the part, attachment, or accessory when purchased from  
38 and provided by an out-of-network provider, and shall only impose  
39 cost sharing as if the out-of-network provider were part of the  
40 provider network.

41 d. The benefits shall be provided to the same extent as for any  
42 other condition under the contract.

43 e. This section shall apply to those hospital service corporation  
44 contracts in which the hospital service corporation has reserved the  
45 right to change the premium.

46 (cf: P.L.2008, c.126, s.2)

**EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted in the law.**

**Matter underlined thus is new matter.**

1       2. Section 3 of P.L.2008, c.126 (C.17:48A-7dd) is amended to  
2 read as follows:

3       3. a. A medical service corporation contract that provides  
4 hospital and medical expense benefits and is delivered, issued,  
5 executed or renewed in this State pursuant to P.L.1940, c.74  
6 (C.17:48A-1 et seq.), or approved for issuance or renewal in this  
7 State by the Commissioner of Banking and Insurance, on or after  
8 the effective date of this act, shall provide coverage for medically  
9 necessary expenses incurred in the purchase of a hearing aid or  
10 cochlear implant for a covered person **[15]** 21 years of age or  
11 younger, as provided in this section.

12       b. A medical service corporation contract shall provide  
13 coverage that includes the purchase of a hearing aid for each ear,  
14 when medically necessary and as prescribed or recommended by a  
15 licensed physician or audiologist. **[A medical service corporation**  
16 **may limit the benefit provided in this section to \$1,000 per hearing**  
17 **aid for each hearing-impaired ear every 24 months. A covered**  
18 **person may choose a hearing aid that is priced higher than the**  
19 **benefit payable under this section and may pay the difference**  
20 **between the price of the hearing aid and the benefit payable under**  
21 **this section, without financial or contractual penalty to the provider**  
22 **of the hearing aid.]**

23       c. (1) A medical service corporation contract shall provide  
24 coverage of the cost of treatment related to cochlear implants,  
25 including procedures for the implantation of cochlear devices and  
26 costs for any parts, attachments, or accessories of the device.

27       (2) If a contract does not have in its network a provider who can  
28 provide any part, attachment, or accessory necessary to the  
29 continued function of a preexisting cochlear implant, the contract  
30 shall cover the part, attachment, or accessory when purchased from  
31 and provided by an out-of-network provider, and shall only impose  
32 cost sharing as if the out-of-network provider were part of the  
33 provider network.

34       d. The benefits shall be provided to the same extent as for any  
35 other condition under the contract.

36       e. This section shall apply to those medical service corporation  
37 contracts in which the medical service corporation has reserved the  
38 right to change the premium.

39 (cf: P.L.2008, c.126, s.3)

40

41       3. Section 4 of P.L.2008, c.126 (C.17:48E-35.31) is amended  
42 to read as follows:

43       4. a. A health service corporation contract that provides  
44 hospital and medical expense benefits and is delivered, issued,  
45 executed or renewed in this State pursuant to P.L.1985, c.236  
46 (C.17:48E-1 et al.), or approved for issuance or renewal in this State  
47 by the Commissioner of Banking and Insurance, on or after the  
48 effective date of this act, shall provide coverage for medically

1 necessary expenses incurred in the purchase of a hearing aid or  
2 cochlear implant for a covered person **[15]** 21 years of age or  
3 younger, as provided in this section.

4 b. A health service corporation contract shall provide coverage  
5 that includes the purchase of a hearing aid for each ear, when  
6 medically necessary and as prescribed or recommended by a  
7 licensed physician or audiologist. **[A health service corporation**  
8 **may limit the benefit provided in this section to \$1,000 per hearing**  
9 **aid for each hearing-impaired ear every 24 months. A covered**  
10 **person may choose a hearing aid that is priced higher than the**  
11 **benefit payable under this section and may pay the difference**  
12 **between the price of the hearing aid and the benefit payable under**  
13 **this section, without financial or contractual penalty to the provider**  
14 **of the hearing aid.]**

15 c. (1) A health service corporation contract shall provide  
16 coverage of the cost of treatment related to cochlear implants,  
17 including procedures for the implantation of cochlear devices and  
18 costs for any parts, attachments, or accessories of the device.

19 (2) If a contract does not have in its network a provider who can  
20 provide any part, attachment, or accessory necessary to the  
21 continued function of a preexisting cochlear implant, the contract  
22 shall cover the part, attachment, or accessory when purchased from  
23 and provided by an out-of-network provider, and shall only impose  
24 cost sharing as if the out-of-network provider were part of the  
25 provider network.

26 d. The benefits shall be provided to the same extent as for any  
27 other condition under the contract.

28 e. This section shall apply to those health service corporation  
29 contracts in which the health service corporation has reserved the  
30 right to change the premium.

31 (cf: P.L.2008, c.126, s.4)

32

33 4. Section 5 of P.L.2008, c.126 (C.17B:26-2.1aa) is amended to  
34 read as follows:

35 5. a. An individual health insurance policy that provides  
36 hospital and medical expense benefits and is delivered, issued,  
37 executed or renewed in this State pursuant to chapter 26 of Title  
38 17B of the New Jersey Statutes, or approved for issuance or renewal  
39 in this State by the Commissioner of Banking and Insurance, on or  
40 after the effective date of this act, shall provide coverage for  
41 medically necessary expenses incurred in the purchase of a hearing  
42 aid or cochlear implant for a covered person **[15]** 21 years of age or  
43 younger, as provided in this section.

44 b. A policy shall provide coverage that includes the purchase of  
45 a hearing aid for each ear, when medically necessary and as  
46 prescribed or recommended by a licensed physician or audiologist.

47 **[An insurer may limit the benefit provided in this section to \$1,000**

1 per hearing aid for each hearing-impaired ear every 24 months. A  
2 covered person may choose a hearing aid that is priced higher than  
3 the benefit payable under this section and may pay the difference  
4 between the price of the hearing aid and the benefit payable under  
5 this section, without financial or contractual penalty to the provider  
6 of the hearing aid.】

7 c. (1) An individual health insurance policy shall provide  
8 coverage of the cost of treatment related to cochlear implants,  
9 including procedures for the implantation of cochlear devices and  
10 costs for any parts, attachments, or accessories of the device.

11 (2) If a policy does not have in its network a provider who can  
12 provide any part, attachment, or accessory necessary to the  
13 continued function of a preexisting cochlear implant, the policy  
14 shall cover the part, attachment, or accessory when purchased from  
15 and provided by an out-of-network provider, and shall only impose  
16 cost sharing as if the out-of-network provider were part of the  
17 provider network.

18 d. The benefits shall be provided to the same extent as for any  
19 other condition under the policy.

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

22 (cf: P.L.2008, c.126, s.5)

23

24 5. Section 6 of P.L.2008, c.126 (C.17B:27-46.1gg) is amended  
25 to read as follows:

26 6. a. A group health insurance policy that provides hospital  
27 and medical expense benefits and is delivered, issued, executed or  
28 renewed in this State pursuant to chapter 27 of Title 17B of the New  
29 Jersey Statutes, or approved for issuance or renewal in this State by  
30 the Commissioner of Banking and Insurance, on or after the  
31 effective date of this act, shall provide coverage for medically  
32 necessary expenses incurred in the purchase of a hearing aid or  
33 cochlear implant for a covered person **【15】** 21 years of age or  
34 younger, as provided in this section.

35 b. A policy shall provide coverage that includes the purchase of  
36 a hearing aid for each ear, when medically necessary and as  
37 prescribed or recommended by a licensed physician or audiologist.  
38 **【An insurer may limit the benefit provided in this section to \$1,000**  
39 **per hearing aid for each hearing-impaired ear every 24 months. A**  
40 **covered person may choose a hearing aid that is priced higher than**  
41 **the benefit payable under this section and may pay the difference**  
42 **between the price of the hearing aid and the benefit payable under**  
43 **this section, without financial or contractual penalty to the provider**  
44 **of the hearing aid.】**

45 c. (1) A group health insurance policy shall provide coverage  
46 of the cost of treatment related to cochlear implants, including  
47 procedures for the implantation of cochlear devices and costs for  
48 any parts, attachments, or accessories of the device.

1       (2) If a policy does not have in its network a provider who can  
2 provide any part, attachment, or accessory necessary to the  
3 continued function of a preexisting cochlear implant, the policy  
4 shall cover the part, attachment, or accessory when purchased from  
5 and provided by an out-of-network provider, and shall only impose  
6 cost sharing as if the out-of-network provider were part of the  
7 provider network.

8       d. The benefits shall be provided to the same extent as for any  
9 other condition under the policy.

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

12 (cf: P.L.2008, c.126, s.6)

13  
14       6. Section 7 of P.L.2008, c.126 (C.17B:27A-7.14) is amended  
15 to read as follows:

16       7. a. An individual health benefits plan that provides hospital  
17 and medical expense benefits and is delivered, issued, executed or  
18 renewed in this State pursuant to P.L.1992, c.161 (C.17B:27A-2 et  
19 al.), on or after the effective date of this act, shall provide coverage  
20 for medically necessary expenses incurred in the purchase of a  
21 hearing aid or cochlear implant for a covered person **【15】** 21 years  
22 of age or younger, as provided in this section.

23       b. A health benefits plan shall provide coverage that includes  
24 the purchase of a hearing aid for each ear, when medically  
25 necessary and as prescribed or recommended by a licensed  
26 physician or audiologist. **【A carrier may limit the benefit provided**  
27 **in this section to \$1,000 per hearing aid for each hearing-impaired**  
28 **ear every 24 months. A covered person may choose a hearing aid**  
29 **that is priced higher than the benefit payable under this section and**  
30 **may pay the difference between the price of the hearing aid and the**  
31 **benefit payable under this section, without financial or contractual**  
32 **penalty to the provider of the hearing aid.】**

33       c. (1) An individual health benefits plan shall provide  
34 coverage of the cost of treatment related to cochlear implants,  
35 including procedures for the implantation of cochlear devices and  
36 costs for any parts, attachments, or accessories of the device.

37       (2) If a plan does not have in its network a provider who can  
38 provide any part, attachment, or accessory necessary to the  
39 continued function of a preexisting cochlear implant, the plan shall  
40 cover the part, attachment, or accessory when purchased from and  
41 provided by an out-of-network provider, and shall only impose cost  
42 sharing as if the out-of-network provider were part of the provider  
43 network.

44       d. The benefits shall be provided to the same extent as for any  
45 other condition under the health benefits plan.

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

48 (cf: P.L.2008, c.126, s.7)

1       7. Section 8 of P.L.2008, c.126 (C.17B:27A-19.18) is amended  
2 to read as follows:

3       8. a. A small employer health benefits plan that provides  
4 hospital and medical expense benefits and is delivered, issued,  
5 executed or renewed in this State pursuant to P.L.1992, c.162  
6 (C.17B:27A-17 et seq.), on or after the effective date of this act,  
7 shall provide coverage for medically necessary expenses incurred in  
8 the purchase of a hearing aid or cochlear implant for a covered  
9 person **【15】** 21 years of age or younger, as provided in this section.

10       b. A health benefits plan shall provide coverage that includes  
11 the purchase of a hearing aid for each ear, when medically  
12 necessary and as prescribed or recommended by a licensed  
13 physician or audiologist. **【A carrier may limit the benefit provided**  
14 **in this section to \$1,000 per hearing aid for each hearing-impaired**  
15 **ear every 24 months. A covered person may choose a hearing aid**  
16 **that is priced higher than the benefit payable under this section and**  
17 **may pay the difference between the price of the hearing aid and the**  
18 **benefit payable under this section, without financial or contractual**  
19 **penalty to the provider of the hearing aid.】**

20       c. (1) A small employer health benefits plan shall provide  
21 coverage of the cost of treatment related to cochlear implants,  
22 including procedures for the implantation of cochlear devices and  
23 costs for any parts, attachments, or accessories of the device.

24       (2) If a plan does not have in its network a provider who can  
25 provide any part, attachment, or accessory necessary to the  
26 continued function of a preexisting cochlear implant, the plan shall  
27 cover the part, attachment, or accessory when purchased from and  
28 provided by an out-of-network provider, and shall only impose cost  
29 sharing as if the out-of-network provider were part of the provider  
30 network.

31       d. The benefits shall be provided to the same extent as for any  
32 other condition under the health benefits plan.

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

35 (cf: P.L.2008, c.126, s.8)

36

37       8. Section 9 of P.L.2008, c.126 (C.26:2J-4.32) is amended to  
38 read as follows:

39       9. a. A health maintenance organization contract for health  
40 care services that is delivered, issued, executed or renewed in this  
41 State pursuant to P.L.1973, c.337 (C.26:2J-1 et seq.), or approved  
42 for issuance or renewal in this State by the Commissioner of  
43 Banking and Insurance, on or after the effective date of this act,  
44 shall provide health care services for medically necessary expenses  
45 incurred in the purchase of a hearing aid or cochlear implant for an  
46 enrollee **【15】** 21 years of age or younger, as provided in this  
47 section.

1     b. The health care services shall include the purchase of a  
2 hearing aid for each ear, when medically necessary and as  
3 prescribed or recommended by a licensed physician or audiologist.  
4 **【A health maintenance organization may limit the health care**  
5 **services provided in this section to \$1,000 per hearing aid for each**  
6 **hearing-impaired ear every 24 months. An enrollee may choose a**  
7 **hearing aid that is priced higher than the health care services**  
8 **payable under this section and may pay the difference between the**  
9 **price of the hearing aid and the health care services payable under**  
10 **this section, without financial or contractual penalty to the provider**  
11 **of the hearing aid.】**

12     c. (1) A health maintenance organization contract shall  
13 provide coverage of the cost of treatment related to cochlear  
14 implants, including procedures for the implantation of cochlear  
15 devices and costs for any parts, attachments, or accessories of the  
16 device.

17     (2) If a contract does not have in its network a provider who can  
18 provide any part, attachment, or accessory necessary to the  
19 continued function of a preexisting cochlear implant, the contract  
20 shall cover the part, attachment, or accessory when purchased from  
21 and provided by an out-of-network provider, and shall only impose  
22 cost sharing as if the out-of-network provider were part of the  
23 provider network.

24     d. The health care services shall be provided to the same extent  
25 as for any other condition under the contract.

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

29 (cf: P.L.2008, c.126, s.9)

30

31     9. Section 10 of P.L.2008, c.126 (C.52:14-17.29n) is amended  
32 to read as follows:

33     10. a. The State Health Benefits Commission shall, on or after  
34 the effective date of this act, provide benefits for medically  
35 necessary expenses incurred in the purchase of a hearing aid or  
36 cochlear implant for a covered person **【15】** 21 years of age or  
37 younger, as provided in this section.

38     b. The benefits shall include the purchase of a hearing aid for  
39 each ear, when medically necessary and as prescribed or  
40 recommended by a licensed physician or audiologist. **【The**  
41 **commission may limit the benefit provided in this section to \$1,000**  
42 **per hearing aid for each hearing-impaired ear every 24 months. A**  
43 **covered person may choose a hearing aid that is priced higher than**  
44 **the benefit payable under this section and may pay the difference**  
45 **between the price of the hearing aid and the benefit payable under**  
46 **this section, without financial or contractual penalty to the provider**  
47 **of the hearing aid.】**



1       c. (1) The benefits shall provide coverage of the cost of  
2 treatment related to cochlear implants, including procedures for the  
3 implantation of cochlear devices and costs for any parts,  
4 attachments, or accessories of the device.

5       (2) If a contract does not have in its network a provider who can  
6 provide any part, attachment, or accessory necessary to the  
7 continued function of a preexisting cochlear implant, the contract  
8 shall cover the part, attachment, or accessory when purchased from  
9 and provided by an out-of-network provider, and shall only impose  
10 cost sharing as if the out-of-network provider were part of the  
11 provider network.

12 (cf: P.L.2008, c.126, s.10)

13  
14       10. Section 11 of P.L.2008, c.126 (C.30:4J-12.2) is amended to  
15 read as follows:

16       11. a. The Commissioner of Human Services shall ensure that  
17 every contract for health care services under the NJ FamilyCare  
18 Program established pursuant to sections 3 through 5 of P.L.2005,  
19 c.156 (C.30:4J-10 through C.30:4J-12), entered into on or after the  
20 effective date of this act, provides benefits for medically necessary  
21 expenses incurred in the purchase of a hearing aid or cochlear  
22 implant for a covered person **【15】** 21 years of age or younger, as  
23 provided in this section.

24       b. The benefits shall include the purchase of a hearing aid for  
25 each ear, when medically necessary and as prescribed or  
26 recommended by a licensed physician or audiologist. **【The**  
27 **commissioner may limit the benefit provided in this section to**  
28 **\$1,000 per hearing aid for each hearing-impaired ear every 24**  
29 **months in any of the NJ FamilyCare Program plans, and may**  
30 **provide, when applicable, that a covered person may choose a**  
31 **hearing aid that is priced higher than the benefit payable under this**  
32 **section and may pay the difference between the price of the hearing**  
33 **aid and the benefit payable under this section, without financial or**  
34 **contractual penalty to the provider of the hearing aid.】**

35       c. (1) The benefits shall provide coverage of the cost of  
36 treatment related to cochlear implants, including procedures for the  
37 implantation of cochlear devices and costs for any parts,  
38 attachments, or accessories of the device.

39       (2) If a contract does not have in its network a provider who can  
40 provide any part, attachment, or accessory necessary to the  
41 continued function of a preexisting cochlear implant, the contract  
42 shall cover the part, attachment, or accessory when purchased from  
43 and provided by an out-of-network provider, and shall only impose  
44 cost sharing as if the out-of-network provider were part of the  
45 provider network.

46 (cf: P.L.2008, c.126, s.11)

1       11. (New section) a. The School Employees' Health Benefits  
2 Commission shall ensure that every contract purchased by the  
3 commission on or after the effective date of this act provides  
4 benefits for medically necessary expenses incurred in the purchase  
5 of a hearing aid or cochlear implant for a covered person as  
6 provided in this section.

7       b. The benefits shall include the purchase of a hearing aid for  
8 each ear, when medically necessary and as prescribed or  
9 recommended by a licensed physician or audiologist.

10       c. (1) The benefits shall provide coverage of the cost of  
11 treatment related to cochlear implants, including procedures for the  
12 implantation of cochlear devices and costs for any parts,  
13 attachments, or accessories of the device.

14       (2) If a contract does not have in its network a provider who can  
15 provide any part, attachment, or accessory necessary to the  
16 continued function of a preexisting cochlear implant, the contract  
17 shall cover the part, attachment, or accessory when purchased from  
18 and provided by an out-of-network provider, and shall only impose  
19 cost sharing as if the out-of-network provider were part of the  
20 provider network.

21

22       12. This act shall take effect on the 90th day next after the date  
23 of enactment.

24

25

26

STATEMENT

27

28       This bill amends P.L.2008, c.126, "Grace's Law," by removing  
29 the specification that health insurers (health, hospital, and medical  
30 service corporations, commercial individual and group health  
31 insurers, health maintenance organizations, health benefits plans  
32 issued pursuant to the New Jersey Individual Health Coverage and  
33 Small Employer Health Benefits Programs, the State Health  
34 Benefits Program, and the NJ FamilyCare Program) provide  
35 coverage for expenses incurred in the purchase of a hearing aid only  
36 for covered persons who are 15 years old or younger, and providing  
37 instead that they provide coverage for those expenses for covered  
38 persons who are 21 year old or younger.

39       The bill also requires that benefits provide coverage of the cost  
40 of treatment related to cochlear implants, including procedures for  
41 the implantation of cochlear devices and costs for any parts,  
42 attachments, or accessories of the device.

43       The bill provides that if a contract does not have in its network a  
44 provider who can provide any part, attachment, or accessory  
45 necessary to the continued function of a preexisting cochlear  
46 implant, the contract must cover the part, attachment, or accessory  
47 when purchased from and provided by an out-of-network provider,

1 and shall only impose cost sharing as if the out-of-network provider  
2 were part of the provider network.

3 In addition, the bill supplements P.L.2007, c.103 (C.52:14-  
4 17.46.1 et seq.) to require the School Employees' Health Benefits  
5 Commission to ensure that every contract purchased by the  
6 commission meets the same requirements for hearing aid and  
7 cochlear implant coverage as "Grace's Law."