

# ASSEMBLY, No. 4504

## STATE OF NEW JERSEY 220th LEGISLATURE

INTRODUCED SEPTEMBER 22, 2022

**Sponsored by:**

**Assemblyman GARY S. SCHAER**

**District 36 (Bergen and Passaic)**

**Assemblyman BENJIE E. WIMBERLY**

**District 35 (Bergen and Passaic)**

**SYNOPSIS**

Requires health insurers, SHBP, and SEHBP to provide coverage for certain drug regimens for treatment of AIDS or HIV under certain circumstances.

**CURRENT VERSION OF TEXT**

As introduced.



(Sponsorship Updated As Of: 9/22/2022)

1 AN ACT concerning health benefits coverage for certain drug  
2 regimens and supplementing various parts of the statutory law.

3

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

6

7 1. a. A hospital service corporation contract that provides  
8 hospital and medical expense benefits and is delivered, issued,  
9 executed, or renewed in this State, or approved for issuance or  
10 renewal in this State by the Commissioner of Banking and  
11 Insurance, on or after the effective date of this act, shall provide  
12 coverage for expenses for prescribed combination antiretroviral  
13 drug treatments that are medically necessary for the treatment of  
14 AIDS or HIV. Coverage shall be provided as follows:

15 (1) Except as provided in paragraph (2) of this subsection,  
16 coverage shall be required for a single tablet drug regimen in  
17 situations in which that regimen is as effective as a multitablet  
18 regimen.

19 (2) In situations in which a multitablet regimen, consistent with  
20 clinical guidelines and peer-reviewed scientific and medical  
21 literature, is clinically equally to, or more effective than, the single  
22 tablet drug regimen, and more likely to result in patient adherence,  
23 coverage shall be required for the multitablet regimen, provided the  
24 peer review of the literature has been performed by a health care  
25 provider with experience in treating infectious diseases.

26 b. A hospital service corporation that uses a prior authorization  
27 process to assess medical necessity with respect to the coverage  
28 required by this section shall complete that process within 14 days  
29 of the request for authorization. If the hospital service corporation  
30 fails to complete the prior authorization process in that time period,  
31 the request for authorization shall be deemed to be approved.

32 c. As used in this section:

33 "AIDS" means acquired immune deficiency syndrome as defined  
34 by the Centers for Disease Control and Prevention of the United  
35 States Department of Health and Human Services.

36 "HIV" means the human immunodeficiency virus which has  
37 been identified as the probable causative agent of AIDS.

38 d. The benefits required by this section shall be provided to the  
39 same extent as for any other condition under the contract.

40 e. This section shall apply to those hospital service corporation  
41 contracts in which the hospital service corporation has reserved the  
42 right to change the premium.

43

44 2. a. A medical service corporation contract that provides  
45 hospital and medical expense benefits and is delivered, issued,  
46 executed, or renewed in this State, or approved for issuance or  
47 renewal in this State by the Commissioner of Banking and  
48 Insurance, on or after the effective date of this act, shall provide  
49 coverage for expenses for prescribed combination antiretroviral

1 drug treatments that are medically necessary for the treatment of  
2 AIDS or HIV. Coverage shall be provided as follows:

3 (1) Except as provided in paragraph (2) of this subsection,  
4 coverage shall be required for a single tablet drug regimen in  
5 situations in which that regimen is as effective as a multitablet  
6 regimen.

7 (2) In situations in which a multitablet regimen, consistent with  
8 clinical guidelines and peer-reviewed scientific and medical  
9 literature, is clinically equally to, or more effective than, the single  
10 tablet drug regimen, and more likely to result in patient adherence,  
11 coverage shall be required for the multitablet regimen, provided the  
12 peer review of the literature has been performed by a health care  
13 provider with experience in treating infectious diseases.

14 b. A medical service corporation that uses a prior authorization  
15 process to assess medical necessity with respect to the coverage  
16 required by this section shall complete that process within 14 days  
17 of the request for authorization. If the medical service corporation  
18 fails to complete the prior authorization process in that time period,  
19 the request for authorization shall be deemed to be approved.

20 c. As used in this section

21 "AIDS" means acquired immune deficiency syndrome as defined  
22 by the Centers for Disease Control and Prevention of the United  
23 States Department of Health and Human Services.

24 "HIV" means the human immunodeficiency virus which has  
25 been identified as the probable causative agent of AIDS.

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

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

31

32 3. a. A health service corporation contract that provides  
33 hospital and medical expense benefits and is delivered, issued,  
34 executed, or renewed in this State, or approved for issuance or  
35 renewal in this State by the Commissioner of Banking and  
36 Insurance, on or after the effective date of this act, shall provide  
37 coverage for expenses for prescribed combination antiretroviral  
38 drug treatments that are medically necessary for the treatment of  
39 AIDS or HIV. Coverage shall be provided as follows:

40 (1) Except as provided in paragraph (2) of this subsection,  
41 coverage shall be required for a single tablet drug regimen in  
42 situations in which that regimen is as effective as a multitablet  
43 regimen.

44 (2) In situations in which a multitablet regimen, consistent with  
45 clinical guidelines and peer-reviewed scientific and medical  
46 literature, is clinically equally to, or more effective than, the single  
47 tablet drug regimen, and more likely to result in patient adherence,  
48 coverage shall be required for the multitablet regimen, provided the

1 peer review of the literature has been performed by a health care  
2 provider with experience in treating infectious diseases.

3 b. A health service corporation that uses a prior authorization  
4 process to assess medical necessity with respect to the coverage  
5 required by this section shall complete that process within 14 days  
6 of the request for authorization. If the health service corporation  
7 fails to complete the prior authorization process in that time period,  
8 the request for authorization shall be deemed to be approved.

9 c. As used in this section:

10 "AIDS" means acquired immune deficiency syndrome as defined  
11 by the Centers for Disease Control and Prevention of the United  
12 States Department of Health and Human Services.

13 "HIV" means the human immunodeficiency virus which has  
14 been identified as the probable causative agent of AIDS.

15 d. The benefits required by this section shall be provided to the  
16 same extent as for any other condition under the contract.

17 e. This section shall apply to those health service corporation  
18 contracts in which the health service corporation has reserved the  
19 right to change the premium.

20

21 4. a. An individual health insurance policy that provides  
22 hospital and medical expense benefits and is delivered, issued,  
23 executed, or renewed in this State, or approved for issuance or  
24 renewal in this State by the Commissioner of Banking and  
25 Insurance, on or after the effective date of this act, shall provide  
26 coverage for expenses for prescribed combination antiretroviral  
27 drug treatments that are medically necessary for the treatment of  
28 AIDS or HIV. Coverage shall be provided as follows:

29 (1) Except as provided in paragraph (2) of this subsection,  
30 coverage shall be required for a single tablet drug regimen in  
31 situations in which that regimen is as effective as a multitablet  
32 regimen.

33 (2) In situations in which a multitablet regimen, consistent with  
34 clinical guidelines and peer-reviewed scientific and medical  
35 literature, is clinically equally to, or more effective than, the single  
36 tablet drug regimen, and more likely to result in patient adherence,  
37 coverage shall be required for the multitablet regimen, provided the  
38 peer review of the literature has been performed by a health care  
39 provider with experience in treating infectious diseases.

40 b. An insurer that uses a prior authorization process to assess  
41 medical necessity with respect to the coverage required by this  
42 section shall complete that process within 14 days of the request for  
43 authorization. If the insurer fails to complete the prior authorization  
44 process in that time period, the request for authorization shall be  
45 deemed to be approved.

46 c. As used in this section:

47 "AIDS" means acquired immune deficiency syndrome as defined  
48 by the Centers for Disease Control and Prevention of the United  
49 States Department of Health and Human Services.

1       “HIV” means the human immunodeficiency virus which has  
2 been identified as the probable causative agent of AIDS.

3       d. The benefits required by this section shall be provided to the  
4 same extent as for any other condition under the policy.

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

7  
8       5. a. A group health insurance policy that provides hospital  
9 and medical expense benefits and is delivered, issued, executed, or  
10 renewed in this State, or approved for issuance or renewal in this  
11 State by the Commissioner of Banking and Insurance, on or after  
12 the effective date of this act, shall provide coverage for expenses  
13 for prescribed combination antiretroviral drug treatments that are  
14 medically necessary for the treatment of AIDS or HIV. Coverage  
15 shall be provided as follows:

16       (1) Except as provided in paragraph (2) of this subsection,  
17 coverage shall be required for a single tablet drug regimen in  
18 situations in which that regimen is as effective as a multitablet  
19 regimen.

20       (2) In situations in which a multitablet regimen, consistent with  
21 clinical guidelines and peer-reviewed scientific and medical  
22 literature, is clinically equally to, or more effective than, the single  
23 tablet drug regimen, and more likely to result in patient adherence,  
24 coverage shall be required for the multitablet regimen, provided the  
25 peer review of the literature has been performed by a health care  
26 provider with experience in treating infectious diseases.

27       b. An insurer that uses a prior authorization process to assess  
28 medical necessity with respect to the coverage required by this  
29 section shall complete that process within 14 days of the request for  
30 authorization. If the insurer fails to complete the prior authorization  
31 process in that time period, the request for authorization shall be  
32 deemed to be approved.

33       c. As used in this section:

34       “AIDS” means acquired immune deficiency syndrome as defined  
35 by the Centers for Disease Control and Prevention of the United  
36 States Department of Health and Human Services.

37       “HIV” means the human immunodeficiency virus which has  
38 been identified as the probable causative agent of AIDS.

39       d. The benefits required by this section shall be provided to the  
40 same extent as for any other condition under the policy.

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

43  
44       6. a. An individual health benefits plan that provides hospital  
45 and medical expense benefits and is delivered, issued, executed, or  
46 renewed in this State pursuant to P.L.1992, c.161 (C.17B:27A-  
47 2 et seq.), or approved for issuance or renewal in this State by the  
48 Commissioner of Banking and Insurance, on or after the effective  
49 date of this act, shall provide coverage for expenses for prescribed

1 combination antiretroviral drug treatments that are medically  
2 necessary for the treatment of AIDS or HIV. Coverage shall be  
3 provided as follows:

4 (1) Except as provided in paragraph (2) of this subsection,  
5 coverage shall be required for a single tablet drug regimen in  
6 situations in which that regimen is as effective as a multitablet  
7 regimen.

8 (2) In situations in which a multitablet regimen, consistent with  
9 clinical guidelines and peer-reviewed scientific and medical  
10 literature, is clinically equally to, or more effective than, the single  
11 tablet drug regimen, and more likely to result in patient adherence,  
12 coverage shall be required for the multitablet regimen, provided the  
13 peer review of the literature has been performed by a health care  
14 provider with experience in treating infectious diseases.

15 b. A carrier that uses a prior authorization process to assess  
16 medical necessity with respect to the coverage required by this  
17 section shall complete that process within 14 days of the request for  
18 authorization. If the carrier fails to complete the prior authorization  
19 process in that time period, the request for authorization shall be  
20 deemed to be approved.

21 c. As used in this section:

22 "AIDS" means acquired immune deficiency syndrome as defined  
23 by the Centers for Disease Control and Prevention of the United  
24 States Department of Health and Human Services.

25 "HIV" means the human immunodeficiency virus which has  
26 been identified as the probable causative agent of AIDS.

27 d. The benefits required by this section shall be provided to the  
28 same extent as for any other condition under the plan.

29 e. This section shall apply to those plans in which the carrier  
30 has reserved the right to change the premium.

31

32 7. a. A small employer health benefits plan that provides  
33 hospital and medical expense benefits and is delivered, issued,  
34 executed, or renewed in this State pursuant to P.L.1992, c.162  
35 (C.17B:27A-17 et seq.), or approved for issuance or renewal in this  
36 State by the Commissioner of Banking and Insurance, on or after  
37 the effective date of this act, shall provide coverage for expenses  
38 for prescribed combination antiretroviral drug treatments that are  
39 medically necessary for the treatment of AIDS or HIV. Coverage  
40 shall be provided as follows:

41 (1) Except as provided in paragraph (2) of this subsection,  
42 coverage shall be required for a single tablet drug regimen in  
43 situations in which that regimen is as effective as a multitablet  
44 regimen.

45 (2) In situations in which a multitablet regimen, consistent with  
46 clinical guidelines and peer-reviewed scientific and medical  
47 literature, is clinically equally to, or more effective than, the single  
48 tablet drug regimen, and more likely to result in patient adherence,  
49 coverage shall be required for the multitablet regimen, provided the

1 peer review of the literature has been performed by a health care  
2 provider with experience in treating infectious diseases.

3 b. A carrier that uses a prior authorization process to assess  
4 medical necessity with respect to the coverage required by this  
5 section shall complete that process within 14 days of the request for  
6 authorization. If the carrier fails to complete the prior authorization  
7 process in that time period, the request for authorization shall be  
8 deemed to be approved.

9 c. As used in this section:

10 "AIDS" means acquired immune deficiency syndrome as defined  
11 by the Centers for Disease Control and Prevention of the United  
12 States Department of Health and Human Services.

13 "HIV" means the human immunodeficiency virus which has  
14 been identified as the probable causative agent of AIDS.

15 d. The benefits required by this section shall be provided to the  
16 same extent as for any other condition under the plan.

17 e. This section shall apply to those plans in which the carrier  
18 has reserved the right to change the premium.

19

20 8. a. A health maintenance organization contract that provides  
21 hospital and medical expense benefits and is delivered, issued,  
22 executed, or renewed in this State, or approved for issuance or  
23 renewal in this State by the Commissioner of Banking and  
24 Insurance, on or after the effective date of this act, shall provide  
25 coverage for expenses for prescribed combination antiretroviral  
26 drug treatments that are medically necessary for the treatment of  
27 AIDS or HIV. Coverage shall be provided as follows:

28 (1) Except as provided in paragraph (2) of this subsection,  
29 coverage shall be required for a single tablet drug regimen in  
30 situations in which that regimen is as effective as a multitablet  
31 regimen.

32 (2) In situations in which a multitablet regimen, consistent with  
33 clinical guidelines and peer-reviewed scientific and medical  
34 literature, is clinically equally to, or more effective than, the single  
35 tablet drug regimen, and more likely to result in patient adherence,  
36 coverage shall be required for the multitablet regimen, provided the  
37 peer review of the literature has been performed by a health care  
38 provider with experience in treating infectious diseases.

39 b. A health maintenance organization that uses a prior  
40 authorization process to assess medical necessity with respect to the  
41 coverage required by this section shall complete that process within  
42 14 days of the request for authorization. If the health maintenance  
43 organization fails to complete the prior authorization process in that  
44 time period, the request for authorization shall be deemed to be  
45 approved.

46 c. As used in this section:

47 "AIDS" means acquired immune deficiency syndrome as defined  
48 by the Centers for Disease Control and Prevention of the United  
49 States Department of Health and Human Services.

1       “HIV” means the human immunodeficiency virus which has  
2 been identified as the probable causative agent of AIDS.

3       d. The benefits required by this section shall be provided to the  
4 same extent as for any other condition under the contract.

5       e. This section shall apply to those contracts for health care  
6 services in which the health maintenance organization has reserved  
7 the right to change the schedule of charges for enrollee coverage.

8

9       9. a. The State Health Benefits Commission shall ensure that  
10 every contract purchased on or after the effective date of this act,  
11 shall provide coverage for expenses for prescribed combination  
12 antiretroviral drug treatments that are medically necessary for the  
13 treatment of AIDS or HIV. Coverage shall be provided as follows:

14       (1) Except as provided in paragraph (2) of this subsection,  
15 coverage shall be required for a single tablet drug regimen in  
16 situations in which that regimen is as effective as a multitablet  
17 regimen.

18       (2) In situations in which a multitablet regimen, consistent with  
19 clinical guidelines and peer-reviewed scientific and medical  
20 literature, is clinically equally to, or more effective than, the single  
21 tablet drug regimen, and more likely to result in patient adherence,  
22 coverage shall be required for the multitablet regimen, provided the  
23 peer review of the literature has been performed by a health care  
24 provider with experience in treating infectious diseases.

25       b. A carrier that uses a prior authorization process to assess  
26 medical necessity with respect to the coverage required by this  
27 section shall complete that process within 14 days of the request for  
28 authorization. If the carrier fails to complete the prior authorization  
29 process in that time period, the request for authorization shall be  
30 deemed to be approved.

31       c. As used in this section:

32       “AIDS” means acquired immune deficiency syndrome as defined  
33 by the Centers for Disease Control and Prevention of the United  
34 States Department of Health and Human Services.

35       “HIV” means the human immunodeficiency virus which has  
36 been identified as the probable causative agent of AIDS.

37       d. The benefits required by this section shall be provided to the  
38 same extent as for any other condition under the contract.

39

40       10. a. The School Employees’ Health Benefits Commission  
41 shall ensure that every contract purchased on or after the effective  
42 date of this act, shall provide coverage for expenses for prescribed  
43 combination antiretroviral drug treatments that are medically  
44 necessary for the treatment of AIDS or HIV. Coverage shall be  
45 provided as follows:

46       (1) Except as provided in paragraph (2) of this subsection,  
47 coverage shall be required for a single tablet drug regimen in  
48 situations in which that regimen is as effective as a multitablet  
49 regimen.



1 (2) In situations in which a multitablet regimen, consistent with  
2 clinical guidelines and peer-reviewed scientific and medical  
3 literature, is clinically equally to, or more effective than, the single  
4 tablet drug regimen, and more likely to result in patient adherence,  
5 coverage shall be required for the multitablet regimen, provided the  
6 peer review of the literature has been performed by a health care  
7 provider with experience in treating infectious diseases.

8 b. A carrier that uses a prior authorization process to assess  
9 medical necessity with respect to the coverage required by this  
10 section shall complete that process within 14 days of the request for  
11 authorization. If the carrier fails to complete the prior authorization  
12 process in that time period, the request for authorization shall be  
13 deemed to be approved.

14 c. As used in this section:

15 "AIDS" means acquired immune deficiency syndrome as defined  
16 by the Centers for Disease Control and Prevention of the United  
17 States Department of Health and Human Services.

18 "HIV" means the human immunodeficiency virus which has  
19 been identified as the probable causative agent of AIDS.

20 d. The benefits required by this section shall be provided to the  
21 same extent as for any other condition under the contract.

22  
23 11. This act shall take effect on the 90<sup>th</sup> day next following  
24 enactment.

25  
26  
27 STATEMENT

28  
29 This bill requires hospital, medical, and health service  
30 corporations, commercial individual and group health insurers,  
31 health maintenance organizations, and health benefits plans issued  
32 pursuant to the New Jersey Individual Coverage and Small  
33 Employer Health Benefits Programs, as well as the State Health  
34 Benefits Commission and the School Employees' Health Benefits  
35 Commission, to provide health benefits coverage for expenses for  
36 prescribed combination antiretroviral drug treatments that are  
37 medically necessary for the treatment of AIDS or HIV.

38 The bill further specifies that coverage for this treatment shall be  
39 required as follows:

40 (1) Coverage shall be required for a single tablet drug regimen  
41 in situations in which that regimen is as effective as a multitablet  
42 regimen.

43 (2) In situations in which the multitablet regimen, consistent  
44 with clinical guidelines and peer-reviewed scientific and medical  
45 literature, is clinically equally to, or more effective than, the single  
46 tablet drug regimen, and more likely to result in patient adherence,  
47 coverage shall be required for the multitablet regimen, provided the  
48 peer review of the literature has been performed by a health care  
49 provider with experience in treating infectious diseases.

**A4504 SCHAER, WIMBERLY**

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1       The bill requires insurers that use a prior authorization process to  
2 assess medical necessity with respect to the coverage required by  
3 this bill to complete that process within 14 days of the request for  
4 authorization. If the prior authorization process is not completed in  
5 that time period, the request for authorization shall be deemed to be  
6 approved.