

[First Reprint]

SENATE, No. 2535

STATE OF NEW JERSEY

220th LEGISLATURE

INTRODUCED MAY 12, 2022

Sponsored by:

Senator VINCENT J. POLISTINA

District 2 (Atlantic)

Senator NELLIE POU

District 35 (Bergen and Passaic)

Co-Sponsored by:

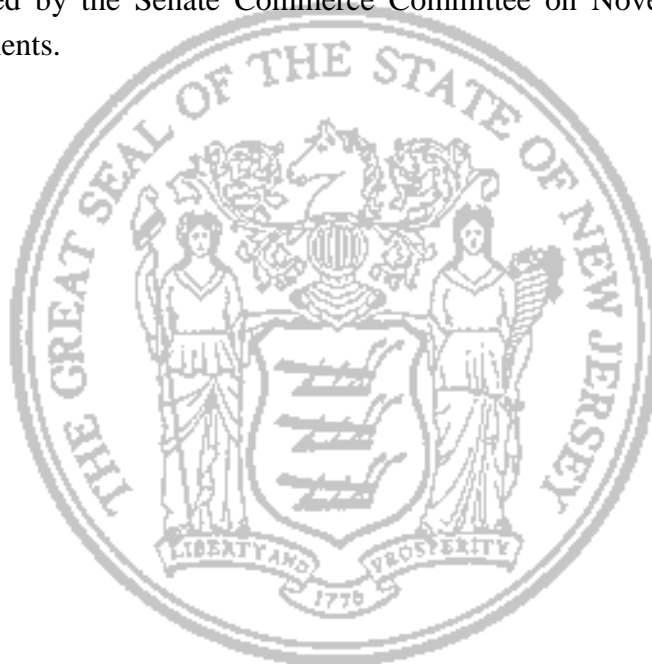
Senators Diegnan, Bramnick, Ruiz and Greenstein

SYNOPSIS

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

CURRENT VERSION OF TEXT

As reported by the Senate Commerce Committee on November 3, 2022, with amendments.



(Sponsorship Updated As Of: 3/20/2023)

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.]** ¹A hospital service corporation may limit the
 30 benefit provided in this section to one hearing aid for each hearing-
 31 impaired ear every 24 months.¹

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

36 ¹**[(2) If a contract does not have in its network a provider who**
 37 **can provide any part, attachment, or accessory necessary to the**
 38 **continued function of a preexisting cochlear implant, the contract**
 39 **shall cover the part, attachment, or accessory when purchased from**
 40 **and provided by an out-of-network provider, and shall only impose**
 41 **cost sharing as if the out-of-network provider were part of the**
 42 **provider network.]**¹

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

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

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SCM committee amendments adopted November 3, 2022.

1 e. This section shall apply to those hospital service corporation
2 contracts in which the hospital service corporation has reserved the
3 right to change the premium.

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

5
6 2. Section 3 of P.L.2008, c.126 (C.17:48A-7dd) is amended to
7 read as follows:

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

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

30 c. **¹[(1)]** A medical 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 ¹[(2) If a contract does not have in its network a provider who
35 can 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.]¹

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 medical service corporation
44 contracts in which the medical service corporation has reserved the
45 right to change the premium.

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

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

3 4. a. A health 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.1985, c.236
6 (C.17:48E-1 et al.), or approved for issuance or renewal in this State
7 by the Commissioner of Banking and Insurance, on or after the
8 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 health service corporation contract shall provide coverage
13 that includes the purchase of a hearing aid for each ear, when
14 medically necessary and as prescribed or recommended by a
15 licensed physician or audiologist. ~~1~~ A health 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. ~~1~~ A health service corporation may limit the
23 benefit provided in this section to one hearing aid for each hearing-
24 impaired ear every 24 months.¹

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

29 ¹ [(2) If a contract does not have in its network a provider who
30 can provide any part, attachment, or accessory necessary to the
31 continued function of a preexisting cochlear implant, the contract
32 shall cover the part, attachment, or accessory when purchased from
33 and provided by an out-of-network provider, and shall only impose
34 cost sharing as if the out-of-network provider were part of the
35 provider network.]¹

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

38 e. This section shall apply to those health service corporation
39 contracts in which the health service corporation has reserved the
40 right to change the premium.

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

42

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

45 5. a. An individual health insurance policy that provides
46 hospital and medical expense benefits and is delivered, issued,
47 executed or renewed in this State pursuant to chapter 26 of Title

1 17B of the New Jersey Statutes, or approved for issuance or renewal
2 in this State by the Commissioner of Banking and Insurance, on or
3 after the effective date of this act, shall provide coverage for
4 medically necessary expenses incurred in the purchase of a hearing
5 aid or cochlear implant for a covered person **[15]** 21 years of age or
6 younger, as provided in this section.

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

10 **[An insurer may limit the benefit provided in this section to \$1,000**
11 **per hearing aid for each hearing-impaired ear every 24 months. A**
12 **covered person may choose a hearing aid that is priced higher than**
13 **the benefit payable under this section and may pay the difference**
14 **between the price of the hearing aid and the benefit payable under**
15 **this section, without financial or contractual penalty to the provider**
16 **of the hearing aid.]** ¹An insurer may limit the benefit provided in
17 this section to one hearing aid for each hearing-impaired ear every
18 24 months.¹

19 c. **¹[(1)]** An individual health insurance policy shall provide
20 coverage of the cost of treatment related to cochlear implants,
21 including procedures for the implantation of cochlear devices and
22 costs for any parts, attachments, or accessories of the device.

23 **¹[(2)** If a policy does not have in its network a provider who can
24 provide any part, attachment, or accessory necessary to the
25 continued function of a preexisting cochlear implant, the policy
26 shall cover the part, attachment, or accessory when purchased from
27 and provided by an out-of-network provider, and shall only impose
28 cost sharing as if the out-of-network provider were part of the
29 provider network.]¹

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

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

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

35
36 5. Section 6 of P.L.2008, c.126 (C.17B:27-46.1gg) is amended
37 to read as follows:

38 6. a. A group health insurance policy that provides hospital
39 and medical expense benefits and is delivered, issued, executed or
40 renewed in this State pursuant to chapter 27 of Title 17B of the New
41 Jersey Statutes, or approved for issuance or renewal in this State by
42 the Commissioner of Banking and Insurance, on or after the
43 effective date of this act, shall provide coverage for medically
44 necessary expenses incurred in the purchase of a hearing aid or
45 cochlear implant for a covered person **[15]** 21 years of age or
46 younger, as provided in this section.

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

13 c. ¹**【(1)】** ¹A group health insurance policy shall provide
14 coverage of the cost of treatment related to cochlear implants,
15 including procedures for the implantation of cochlear devices and
16 costs for any parts, attachments, or accessories of the device.

17 ¹**【(2) If a policy 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 policy**
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.】**¹

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

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

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

29

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

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

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

1 penalty to the provider of the hearing aid.】 ¹A carrier may limit the
2 benefit provided in this section to one hearing aid for each hearing-
3 impaired ear every 24 months.¹

4 c. ¹[(1)]¹ An individual health benefits plan shall provide
5 coverage of the cost of treatment related to cochlear implants,
6 including procedures for the implantation of cochlear devices and
7 costs for any parts, attachments, or accessories of the device.

8 ¹[(2) If a plan does not have in its network a provider who can
9 provide any part, attachment, or accessory necessary to the
10 continued function of a preexisting cochlear implant, the plan shall
11 cover the part, attachment, or accessory when purchased from and
12 provided by an out-of-network provider, and shall only impose cost
13 sharing as if the out-of-network provider were part of the provider
14 network.】¹

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

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

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

20
21 7. Section 8 of P.L.2008, c.126 (C.17B:27A-19.18) is amended
22 to read as follows:

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

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

40 benefit provided in this section to one hearing aid for each hearing-
41 impaired ear every 24 months.¹
42 c. ¹[(1)]¹ A small employer health benefits plan shall provide
43 coverage of the cost of treatment related to cochlear implants,
44 including procedures for the implantation of cochlear devices and
45 costs for any parts, attachments, or accessories of the device.

46 ¹[(2) If a plan does not have in its network a provider who can
47 provide any part, attachment, or accessory necessary to the

1 continued function of a preexisting cochlear implant, the plan shall
2 cover the part, attachment, or accessory when purchased from and
3 provided by an out-of-network provider, and shall only impose cost
4 sharing as if the out-of-network provider were part of the provider
5 network.】¹

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

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

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

11
12 8. Section 9 of P.L.2008, c.126 (C.26:2J-4.32) is amended to
13 read as follows:

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

23 b. The health care services shall include the purchase of a
24 hearing aid for each ear, when medically necessary and as
25 prescribed or recommended by a licensed physician or audiologist.
26 **【A health maintenance organization may limit the health care**
27 **services provided in this section to \$1,000 per hearing aid for each**
28 **hearing-impaired ear every 24 months. An enrollee may choose a**
29 **hearing aid that is priced higher than the health care services**
30 **payable under this section and may pay the difference between the**
31 **price of the hearing aid and the health care services payable under**
32 **this section, without financial or contractual penalty to the provider**
33 **of the hearing aid.】¹** A health maintenance organization may limit
34 the health care services provided in this section to one hearing aid
35 for each hearing-impaired ear every 24 months.¹

36 c. **‘【(1)】¹** A health maintenance organization contract shall
37 provide coverage of the cost of treatment related to cochlear
38 implants, including procedures for the implantation of cochlear
39 devices and costs for any parts, attachments, or accessories of the
40 device.

41 **‘【(2)** If a contract does not have in its network a provider who
42 can provide any part, attachment, or accessory necessary to the
43 continued function of a preexisting cochlear implant, the contract
44 shall cover the part, attachment, or accessory when purchased from
45 and provided by an out-of-network provider, and shall only impose
46 cost sharing as if the out-of-network provider were part of the
47 provider network.】¹

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

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

6 (cf: P.L.2008, c.126, s.9)
7

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

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

15 b. The benefits shall include the purchase of a hearing aid for
16 each ear, when medically necessary and as prescribed or
17 recommended by a licensed physician or audiologist. **【**The
18 commission may limit the benefit provided in this section to \$1,000
19 per hearing aid for each hearing-impaired ear every 24 months. A
20 covered person may choose a hearing aid that is priced higher than
21 the benefit payable under this section and may pay the difference
22 between the price of the hearing aid and the benefit payable under
23 this section, without financial or contractual penalty to the provider
24 of the hearing aid.**】** ¹The commission may limit the benefit
25 provided in this section to one hearing aid for each hearing-
26 impaired ear every 24 months.¹

27 c. ¹**【(1)】**¹ The benefits shall provide coverage of the cost of
28 treatment related to cochlear implants, including procedures for the
29 implantation of cochlear devices and costs for any parts,
30 attachments, or accessories of the device.

31 ¹**【(2)** If a contract does not have in its network a provider who
32 can provide any part, attachment, or accessory necessary to the
33 continued function of a preexisting cochlear implant, the contract
34 shall cover the part, attachment, or accessory when purchased from
35 and provided by an out-of-network provider, and shall only impose
36 cost sharing as if the out-of-network provider were part of the
37 provider network.**】**¹

38 (cf: P.L.2008, c.126, s.10)
39

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

42 11. a. The Commissioner of Human Services shall ensure that
43 every contract for health care services under the NJ FamilyCare
44 Program established pursuant to sections 3 through 5 of P.L.2005,
45 c.156 (C.30:4J-10 through C.30:4J-12), entered into on or after the
46 effective date of this act, provides benefits for medically necessary
47 expenses incurred in the purchase of a hearing aid or cochlear

1 implant for a covered person **[15]** 21 years of age or younger, as
2 provided in this section.

3 b. The benefits shall include the purchase of a hearing aid for
4 each ear, when medically necessary and as prescribed or
5 recommended by a licensed physician or audiologist. **[The**
6 commissioner may limit the benefit provided in this section to
7 \$1,000 per hearing aid for each hearing-impaired ear every 24
8 months in any of the NJ FamilyCare Program plans, and may
9 provide, when applicable, that a covered person may choose a
10 hearing aid that is priced higher than the benefit payable under this
11 section and may pay the difference between the price of the hearing
12 aid and the benefit payable under this section, without financial or
13 contractual penalty to the provider of the hearing aid.] ¹The
14 commissioner may limit the benefit provided in this section to one
15 hearing aid for each hearing-impaired ear every 24 months.¹

16 c. ¹**[(1)]**¹ The benefits shall provide coverage of the cost of
17 treatment related to cochlear implants, including procedures for the
18 implantation of cochlear devices and costs for any parts,
19 attachments, or accessories of the device.

20 ¹**[(2)]** If a contract does not have in its network a provider who
21 can provide any part, attachment, or accessory necessary to the
22 continued function of a preexisting cochlear implant, the contract
23 shall cover the part, attachment, or accessory when purchased from
24 and provided by an out-of-network provider, and shall only impose
25 cost sharing as if the out-of-network provider were part of the
26 provider network.]¹

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

28

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

35 b. The benefits shall include the purchase of a hearing aid for
36 each ear, when medically necessary and as prescribed or
37 recommended by a licensed physician or audiologist. ¹The
38 commission may limit the benefit provided in this section to one
39 hearing aid for each hearing-impaired ear every 24 months.¹

40 c. ¹**[(1)]**¹ The benefits shall provide coverage of the cost of
41 treatment related to cochlear implants, including procedures for the
42 implantation of cochlear devices and costs for any parts,
43 attachments, or accessories of the device.

44 ¹**[(2)]** If a contract does not have in its network a provider who
45 can provide any part, attachment, or accessory necessary to the
46 continued function of a preexisting cochlear implant, the contract
47 shall cover the part, attachment, or accessory when purchased from

1 and provided by an out-of-network provider, and shall only impose
2 cost sharing as if the out-of-network provider were part of the
3 provider network.】¹

4

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