

# SENATE, No. 3427

## STATE OF NEW JERSEY 220th LEGISLATURE

INTRODUCED DECEMBER 19, 2022

**Sponsored by:**

**Senator M. TERESA RUIZ**

**District 29 (Essex)**

### **SYNOPSIS**

Requires private health insurers, SHBP, SEHBP, Medicaid, and NJ FamilyCare to cover wigs under certain circumstances.

### **CURRENT VERSION OF TEXT**

As introduced.



1    **AN ACT** concerning wigs and supplementing various parts of the  
2       statutory law.

3  
4       **BE IT ENACTED** *by the Senate and General Assembly of the State*  
5       *of New Jersey:*

6  
7       1.   a.   Every individual or group hospital service corporation  
8       contract that provides hospital or medical expense benefits and is  
9       delivered, issued, executed, or renewed in this State pursuant to  
10      P.L.1938, c.366 (C.17:48-1 et seq.) or is approved for issuance or  
11      renewal in this State by the Commissioner of Banking and Insurance,  
12      on or after the effective date of this act, shall provide coverage for  
13      expenses incurred in the purchase of a wig under the following  
14      circumstances:

15       (1) the subscriber is prescribed the wig by a State licensed  
16      dermatologist, oncologist, or attending physician; and

17       (2) the prescribing dermatologist, oncologist, or attending  
18      physician certifies in writing the medical necessity of the wig as part  
19      of the subscriber's proposed course of rehabilitative treatment for a  
20      diagnosed illness, chronic medical condition, or injury.

21      b.   A contract subject to this section shall:

22       (1) provide coverage for a wig for a subscriber no more  
23      frequently than once every 36 months; and

24       (2) pay for expenses incurred for the purchase of a wig on the  
25      same basis as for any other item of durable medical equipment.

26      c.   In no case shall a contract restrict coverage for a wig only to  
27      subscribers who are undergoing chemotherapy treatment for a  
28      cancer diagnosis.

29      d. As used in this section:

30       "Durable medical equipment" means equipment, including repair  
31      and replacement parts, but not including mobility enhancing  
32      equipment that:

33       a.   can withstand repeated use;

34       b.   is primarily and customarily used to serve a medical  
35      purpose; and

36       c.   is generally not useful to a person in the absence of illness, a  
37      chronic medical condition, or injury.

38       "Wig" means a cranial prosthesis prescribed by a licensed  
39      physician for use as part of a course of rehabilitative treatment for a  
40      diagnosed illness, chronic medical condition, or injury.

41

42      2.   a.   Every individual or group medical service corporation  
43      contract that provides hospital or medical expense benefits and is  
44      delivered, issued, executed, or renewed in this State pursuant to  
45      P.L.1940, c.74 (C.17:48A-1 et seq.) or is approved for issuance or  
46      renewal in this State by the Commissioner of Banking and  
47      Insurance, on or after the effective date of this act, shall provide

1 coverage for expenses incurred in the purchase of a wig under the  
2 following circumstances:

3 (1) the subscriber is prescribed the wig by a State licensed  
4 dermatologist, oncologist, or attending physician; and

5 (2) the prescribing dermatologist, oncologist, or attending  
6 physician certifies in writing the medical necessity of the wig as part  
7 of the subscriber's proposed course of rehabilitative treatment for a  
8 diagnosed illness, chronic medical condition, or injury.

9 b. A contract subject to this section shall:

10 (1) provide coverage for a wig for a subscriber no more  
11 frequently than once every 36 months; and

12 (2) pay for expenses incurred for the purchase of a wig on the  
13 same basis as for any other item of durable medical equipment.

14 c. In no case shall a contract restrict coverage for a wig only to  
15 subscribers who are undergoing chemotherapy treatment for a  
16 cancer diagnosis.

17 d. As used in this section:

18 "Durable medical equipment" means equipment, including repair  
19 and replacement parts, but not including mobility enhancing  
20 equipment that:

21 a. can withstand repeated use;

22 b. is primarily and customarily used to serve a medical  
23 purpose; and

24 c. is generally not useful to a person in the absence of illness, a  
25 chronic medical condition, or injury.

26 "Wig" means a cranial prosthesis prescribed by a licensed  
27 physician for use as part of a course of rehabilitative treatment for a  
28 diagnosed illness, chronic medical condition, or injury.

29

30 3. a. Every individual or group health service corporation  
31 contract that provides hospital or medical expense benefits and is  
32 delivered, issued, executed, or renewed in this State pursuant to  
33 P.L.1985, c.236 (C.17:48E-1 et seq.) or is approved for issuance or  
34 renewal in this State by the Commissioner of Banking and  
35 Insurance, on or after the effective date of this act, shall provide  
36 coverage for expenses incurred in the purchase of a wig under the  
37 following circumstances:

38 (1) the subscriber is prescribed the wig by a State licensed  
39 dermatologist, oncologist, or attending physician; and

40 (2) the prescribing dermatologist, oncologist, or attending  
41 physician certifies in writing the medical necessity of the wig as part  
42 of the subscriber's proposed course of rehabilitative treatment for a  
43 diagnosed illness, chronic medical condition, or injury.

44 b. A contract subject to this section shall:

45 (1) provide coverage for a wig for a subscriber no more  
46 frequently than once every 36 months; and

47 (2) pay for expenses incurred for the purchase of a wig on the  
48 same basis as for any other item of durable medical equipment.

1 c. In no case shall a contract restrict coverage for a wig only to  
2 subscribers who are undergoing chemotherapy treatment for a  
3 cancer diagnosis.

4 d. As used in this section:

5 “Durable medical equipment” means equipment, including repair  
6 and replacement parts, but not including mobility enhancing  
7 equipment that:

8 a. can withstand repeated use;

9 b. is primarily and customarily used to serve a medical  
10 purpose; and

11 c. is generally not useful to a person in the absence of illness, a  
12 chronic medical condition, or injury.

13 “Wig” means a cranial prosthesis prescribed by a licensed  
14 physician for use as part of a course of rehabilitative treatment for a  
15 diagnosed illness, chronic medical condition, or injury.

16

17 4. a. Every individual health insurance policy that provides  
18 hospital or medical expense benefits and is delivered, issued,  
19 executed, or renewed in this State pursuant to chapter 26 of Title  
20 17B of the New Jersey Statutes or is approved for issuance or  
21 renewal in this State by the Commissioner of Banking and  
22 Insurance, on or after the effective date of this act, shall provide  
23 coverage for expenses incurred in the purchase of a wig under the  
24 following circumstances:

25 (1) the subscriber is prescribed the wig by a State licensed  
26 dermatologist, oncologist, or attending physician; and

27 (2) the prescribing dermatologist, oncologist, or attending  
28 physician certifies in writing the medical necessity of the wig as part  
29 of the subscriber’s proposed course of rehabilitative treatment for a  
30 diagnosed illness, chronic medical condition, or injury.

31 b. A contract subject to this section shall:

32 (1) provide coverage for a wig for a subscriber no more  
33 frequently than once every 36 months; and

34 (2) pay for expenses incurred for the purchase of a wig on the  
35 same basis as for any other item of durable medical equipment.

36 c. In no case shall a contract restrict coverage for a wig only to  
37 subscribers who are undergoing chemotherapy treatment for a  
38 cancer diagnosis.

39 d. As used in this section:

40 “Durable medical equipment” means equipment, including repair  
41 and replacement parts, but not including mobility enhancing  
42 equipment that:

43 a. can withstand repeated use;

44 b. is primarily and customarily used to serve a medical  
45 purpose; and

46 c. is generally not useful to a person in the absence of illness, a  
47 chronic medical condition, or injury.

1       “Wig” means a cranial prosthesis prescribed by a licensed  
2 physician for use as part of a course of rehabilitative treatment for a  
3 diagnosed illness, chronic medical condition, or injury.

4  
5       5. a. Every group health insurance policy that provides  
6 hospital or medical expense benefits and is delivered, issued,  
7 executed, or renewed in this State pursuant to chapter 27 of Title  
8 17B of the New Jersey Statutes or is approved for issuance or  
9 renewal in this State by the Commissioner of Banking and  
10 Insurance, on or after the effective date of this act, shall provide  
11 coverage for expenses incurred in the purchase of a wig under the  
12 following circumstances:

13       (1) the subscriber is prescribed the wig by a State licensed  
14 dermatologist, oncologist, or attending physician; and

15       (2) the prescribing dermatologist, oncologist, or attending  
16 physician certifies in writing the medical necessity of the wig as part  
17 of the subscriber’s proposed course of rehabilitative treatment for a  
18 diagnosed illness, chronic medical condition, or injury.

19       b. A contract subject to this section shall:

20       (1) provide coverage for a wig for a subscriber no more  
21 frequently than once every 36 months; and

22       (2) pay for expenses incurred for the purchase of a wig on the  
23 same basis as for any other item of durable medical equipment.

24       c. In no case shall a contract restrict coverage for a wig only to  
25 subscribers who are undergoing chemotherapy treatment for a  
26 cancer diagnosis.

27       d. As used in this section:

28       “Durable medical equipment” means equipment, including repair  
29 and replacement parts, but not including mobility enhancing  
30 equipment that:

31       a. can withstand repeated use;

32       b. is primarily and customarily used to serve a medical  
33 purpose; and

34       c. is generally not useful to a person in the absence of illness, a  
35 chronic medical condition, or injury.

36       “Wig” means a cranial prosthesis prescribed by a licensed  
37 physician for use as part of a course of rehabilitative treatment for a  
38 diagnosed illness, chronic medical condition, or injury.

39  
40       6. a. Every individual health benefits plan that provides  
41 hospital or medical expense benefits and is delivered, issued,  
42 executed, or renewed in this State pursuant to P.L.1992, c.161  
43 (C.17B:27A-2 et seq.) or is approved for issuance or renewal in this  
44 State by the Commissioner of Banking and Insurance, on or after  
45 the effective date of this act, shall provide coverage for expenses  
46 incurred in the purchase of a wig under the following  
47 circumstances:

- 1 (1) the subscriber is prescribed the wig by a State licensed  
2 dermatologist, oncologist, or attending physician; and
- 3 (2) the prescribing dermatologist, oncologist, or attending  
4 physician certifies in writing the medical necessity of the wig as part  
5 of the subscriber's proposed course of rehabilitative treatment for a  
6 diagnosed illness, chronic medical condition, or injury.
- 7 b. A contract subject to this section shall:
- 8 (1) provide coverage for a wig for a subscriber no more  
9 frequently than once every 36 months; and
- 10 (2) pay for expenses incurred for the purchase of a wig on the  
11 same basis as for any other item of durable medical equipment.
- 12 c. In no case shall a contract restrict coverage for a wig only to  
13 subscribers who are undergoing chemotherapy treatment for a  
14 cancer diagnosis.
- 15 d. As used in this section:
- 16 "Durable medical equipment" means equipment, including repair  
17 and replacement parts, but not including mobility enhancing  
18 equipment that:
- 19 a. can withstand repeated use;
- 20 b. is primarily and customarily used to serve a medical  
21 purpose; and
- 22 c. is generally not useful to a person in the absence of illness, a  
23 chronic medical condition, or injury.
- 24 "Wig" means a cranial prosthesis prescribed by a licensed  
25 physician for use as part of a course of rehabilitative treatment for a  
26 diagnosed illness, chronic medical condition, or injury.
- 27
- 28 7. a. Every small employer health benefits plan that provides  
29 hospital or medical expense benefits and is delivered, issued,  
30 executed, or renewed in this State pursuant to P.L.1992, c.162  
31 (C.17B:27A-17 et seq.) or is approved for issuance or renewal in  
32 this State by the Commissioner of Banking and Insurance, on or  
33 after the effective date of this act, shall provide coverage for  
34 expenses incurred in the purchase of a wig under the following  
35 circumstances:
- 36 (1) the subscriber is prescribed the wig by a State licensed  
37 dermatologist, oncologist, or attending physician; and
- 38 (2) the prescribing dermatologist, oncologist, or attending  
39 physician certifies in writing the medical necessity of the wig as part  
40 of the subscriber's proposed course of rehabilitative treatment for a  
41 diagnosed illness, chronic medical condition, or injury.
- 42 b. A contract subject to this section shall:
- 43 (1) provide coverage for a wig for a subscriber no more  
44 frequently than once every 36 months; and
- 45 (2) pay for expenses incurred for the purchase of a wig on the  
46 same basis as for any other item of durable medical equipment.

- 1 c. In no case shall a contract restrict coverage for a wig only to  
2 subscribers who are undergoing chemotherapy treatment for a  
3 cancer diagnosis.
- 4 d. As used in this section:
- 5 “Durable medical equipment” means equipment, including repair  
6 and replacement parts, but not including mobility enhancing  
7 equipment that:
- 8 a. can withstand repeated use;
- 9 b. is primarily and customarily used to serve a medical  
10 purpose; and
- 11 c. is generally not useful to a person in the absence of illness, a  
12 chronic medical condition, or injury.
- 13 “Wig” means a cranial prosthesis prescribed by a licensed  
14 physician for use as part of a course of rehabilitative treatment for a  
15 diagnosed illness, chronic medical condition, or injury.
- 16
- 17 8. a. Every health maintenance organization contract that is  
18 delivered, issued, executed, or renewed in this State pursuant to  
19 P.L.1973, c.337 (C.26:2J-1 et seq.) or is approved for issuance or  
20 renewal in this State by the Commissioner of Banking and  
21 Insurance, on or after the effective date of this act, shall provide  
22 coverage for expenses incurred in the purchase of a wig under the  
23 following circumstances:
- 24 (1) the subscriber is prescribed the wig by a State licensed  
25 dermatologist, oncologist, or attending physician; and
- 26 (2) the prescribing dermatologist, oncologist, or attending  
27 physician certifies in writing the medical necessity of the wig as part  
28 of the subscriber’s proposed course of rehabilitative treatment for a  
29 diagnosed illness, chronic medical condition, or injury.
- 30 b. A contract subject to this section shall:
- 31 (1) provide coverage for a wig for a subscriber no more  
32 frequently than once every 36 months; and
- 33 (2) pay for expenses incurred for the purchase of a wig on the  
34 same basis as for any other item of durable medical equipment.
- 35 c. In no case shall a contract restrict coverage for a wig only to  
36 subscribers who are undergoing chemotherapy treatment for a  
37 cancer diagnosis.
- 38 d. As used in this section:
- 39 “Durable medical equipment” means equipment, including repair  
40 and replacement parts, but not including mobility enhancing  
41 equipment that:
- 42 a. can withstand repeated use;
- 43 b. is primarily and customarily used to serve a medical  
44 purpose; and
- 45 c. is generally not useful to a person in the absence of illness, a  
46 chronic medical condition, or injury.

1       “Wig” means a cranial prosthesis prescribed by a licensed  
2 physician for use as part of a course of rehabilitative treatment for a  
3 diagnosed illness, chronic medical condition, or injury.

4  
5       9. a. The State Health Benefits Commission shall ensure that  
6 every contract providing hospital or medical expense benefits,  
7 which is purchased by the commission on or after the effective date  
8 of this act, shall provide coverage for expenses incurred in the  
9 purchase of a wig under the following circumstances:

10       (1) the subscriber is prescribed the wig by a State licensed  
11 dermatologist, oncologist, or attending physician; and

12       (2) the prescribing dermatologist, oncologist, or attending  
13 physician certifies in writing the medical necessity of the wig as part  
14 of the subscriber’s proposed course of rehabilitative treatment for a  
15 diagnosed illness, chronic medical condition, or injury.

16       b. A contract subject to this section shall:

17       (1) provide coverage for a wig for a subscriber no more  
18 frequently than once every 36 months; and

19       (2) pay for expenses incurred for the purchase of a wig on the  
20 same basis as for any other item of durable medical equipment.

21       c. In no case shall a contract restrict coverage for a wig only to  
22 subscribers who are undergoing chemotherapy treatment for a  
23 cancer diagnosis.

24       d. As used in this section:

25       “Durable medical equipment” means equipment, including repair  
26 and replacement parts, but not including mobility enhancing  
27 equipment that:

28       a. can withstand repeated use;

29       b. is primarily and customarily used to serve a medical  
30 purpose; and

31       c. is generally not useful to a person in the absence of illness, a  
32 chronic medical condition, or injury.

33       “Wig” means a cranial prosthesis prescribed by a licensed  
34 physician for use as part of a course of rehabilitative treatment for a  
35 diagnosed illness, chronic medical condition, or injury.

36  
37       10. a. The School Employees’ Health Benefits Commission  
38 shall ensure that every contract providing hospital or medical  
39 expense benefits, which is purchased by the commission on or after  
40 the effective date of this act, shall provide coverage for expenses  
41 incurred in the purchase of a wig under the following  
42 circumstances:

43       (1) the subscriber is prescribed the wig by a State licensed  
44 dermatologist, oncologist, or attending physician; and

45       (2) the prescribing dermatologist, oncologist, or attending  
46 physician certifies in writing the medical necessity of the wig as part  
47 of the subscriber’s proposed course of rehabilitative treatment for a  
48 diagnosed illness, chronic medical condition, or injury.



1       b. A contract subject to this section shall:

2       (1) provide coverage for a wig for a subscriber no more  
3 frequently than once every 36 months; and

4       (2) pay for expenses incurred for the purchase of a wig on the  
5 same basis as for any other item of durable medical equipment.

6       c. In no case shall a contract restrict coverage for a wig only to  
7 subscribers who are undergoing chemotherapy treatment for a  
8 cancer diagnosis.

9       As used in this section:

10       “Durable medical equipment” means equipment, including repair  
11 and replacement parts, but not including mobility enhancing  
12 equipment that:

13       a. can withstand repeated use;

14       b. is primarily and customarily used to serve a medical  
15 purpose; and

16       c. is generally not useful to a person in the absence of illness, a  
17 chronic medical condition, or injury.

18       “Wig” means a cranial prosthesis prescribed by a licensed  
19 physician for use as part of a course of rehabilitative treatment for a  
20 diagnosed illness, chronic medical condition, or injury.

21

22       11. a. The Medicaid program and NJ FamilyCare program shall  
23 provide coverage for a wig for an enrollee under the following  
24 circumstances:

25       (1) the enrollee is prescribed the wig by a State licensed  
26 dermatologist, oncologist, or attending pursuant to a contract with the  
27 Medicaid program or NJ FamilyCare program; and

28       (2) the prescribing dermatologist, oncologist, or attending  
29 physician certifies in writing the medical necessity of the wig as part  
30 of the enrollee’s proposed course of rehabilitative treatment for a  
31 diagnosed illness, chronic medical condition, or injury.

32       b. The Medicaid program and the NJ FamilyCare program shall  
33 provide coverage for a wig, pursuant to this section, on the same basis  
34 as any other covered item of durable medical equipment.

35       c. The Commissioner shall establish:

36       (1) the payment amount for a wig provided pursuant to this section;  
37 and

38       (2) the frequency with which the Medicaid program and the NJ  
39 FamilyCare program shall coverage a wig for an enrollee.

40       d. In no case shall the Commissioner restrict coverage for a  
41 wig, provided pursuant to this section, only to enrollees who are  
42 undergoing chemotherapy treatment for a cancer diagnosis.

43       e. The Commissioner of Human Services shall apply for such  
44 federal waivers or state plan amendments as are necessary to  
45 implement the provisions of this section and to continue to secure  
46 federal financial participation for State expenditures under the  
47 federal Medicaid program and the Children’s Health Insurance  
48 Program.

1 f. Coverage of wigs under the Medicaid program and the NJ  
2 FamilyCare program, pursuant to this section, is contingent upon  
3 federal approval of the State's application for a waiver or a state  
4 plan amendment under Title XIX of the Social Security Act (42  
5 U.S.C. s.1315 et seq.).

6 g. As used in this section:

7 "Commissioner" means the Commissioner of Human Services.

8 "Division" means the Division of Medical Assistance and Health  
9 Services in the Department of Human Services.

10 "Durable medical equipment" means equipment, including repair  
11 and replacement parts, but not including mobility enhancing  
12 equipment that:

13 a. can withstand repeated use;

14 b. is primarily and customarily used to serve a medical  
15 purpose; and

16 c. is generally not useful to a person in the absence of illness, a  
17 chronic medical condition, or injury.

18 "Enrollee" means an individual who is covered under the  
19 Medicaid program or the NJ FamilyCare program.

20 "Medicaid" means the State Medicaid program established  
21 pursuant to P.L.1968, c.413 (C.30:4D-1 et seq.).

22 "NJ FamilyCare means the NJ FamilyCare program established  
23 pursuant to P.L.2005, c.156 (C.30:4J-8 et al).

24 "Wig" means a cranial prosthesis prescribed by a licensed  
25 physician for use as part of a course of rehabilitative treatment for a  
26 diagnosed illness, chronic medical condition, or injury.

27  
28 12. The State Treasurer and the Commissioners of Banking and  
29 Insurance, Health, and Human Services, pursuant to the  
30 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et  
31 seq.), shall adopt such rules and regulations as may be necessary to  
32 implement the provisions of this act.

33  
34 13. This act shall take effect on the first day of the seventh  
35 month next following the date of enactment, except that the State  
36 Treasurer and the Commissioners of Banking and Insurance,  
37 Health, and Human Services may take any anticipatory  
38 administrative action in advance thereof as may be necessary for the  
39 implementation of this act.

#### 40 41 42 STATEMENT

43  
44 This bill requires private health insurance plans, the State Health  
45 Benefits Program (SHBP), the School Employees Health Benefits  
46 Program (SEHBP), the State Medicaid program, and the NJ  
47 FamilyCare program to provide coverage for wigs for subscribers or  
48 enrollees on the same basis as other items of durable medical

1 equipment. It is the intent of the bill's sponsor to require all health  
2 insurers that operate in the State to provide reimbursement for  
3 expenses incurred for the purchase of a wig for individuals  
4 experiencing medical hair loss due to health conditions, chronic  
5 illnesses, or injury.

6 Pursuant to the bill, all individual, group, or small employer  
7 health insurers, the SHBP, the SEHBP, Medicaid and the NJ  
8 FamilyCare programs are required to provide coverage for a wig,  
9 provided the subscriber or enrollee has been prescribed the wig by a  
10 State-licensed dermatologist, oncologist, or attending physician,  
11 and the prescribing physician certifies, in writing, the medical  
12 necessity of a wig as part of the enrollee's proposed course of  
13 treatment for a diagnosed illness, chronic medical condition, or injury.

14 Pursuant to the bill, all health insurers operating in the State are  
15 required to cover the purchase of a new wig for a subscriber once  
16 every 36 months. The Commissioner of Human Services is required to  
17 determine the frequency with which Medicaid and NJ FamilyCare  
18 enrollees are eligible for a new wig. The commissioner is additionally  
19 directed to determine the reimbursement amount for wigs provided for  
20 eligible Medicaid and NJ FamilyCare enrollees.

21 The bill, moreover, stipulates that private health insurers, the  
22 SHBP, the SEHBP, the State Medicaid program, and the NJ  
23 FamilyCare program be prohibited from restricting coverage for wigs  
24 to individuals undergoing chemotherapy as treatment for a cancer  
25 diagnosis.

26 Currently, the SHBP and SEHBP cover wigs for subscribers  
27 undergoing chemotherapy for a cancer diagnosis to the same extent as  
28 other items of durable medical equipment. Both the SHBP and the  
29 SEHBP cover wigs for subscribers diagnosed with alopecia, albeit to a  
30 lesser extent than for patients with a cancer diagnosis. It is unclear the  
31 number of private health insurers that include wigs as a covered  
32 benefit for subscribers, or the scope of the benefit offered by these  
33 insurers. Under current law, neither the State Medicaid program nor  
34 the NJ FamilyCare program cover wigs for enrolled individuals.

35 The benefits established pursuant to the bill are similar to those  
36 provided in H.R.5430 and S.4708 currently pending before  
37 Congress, which require the federal Medicare program to cover  
38 wigs as durable medical equipment.