ASSEMBLY, No. 4105

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED APRIL 4, 2024

Sponsored by:
Assemblywoman MICHELE MATSIKOUDIS
District 21 (Middlesex, Morris, Somerset and Union)

SYNOPSIS

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

CURRENT VERSION OF TEXT

As introduced.

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

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

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

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

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

b. A contract subject to this section shall:

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

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

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

d. As used in this section:

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

a. can withstand repeated use;

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

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

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

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

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

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

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

b. A contract subject to this section shall:

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

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

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

d. As used in this section:

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

a. can withstand repeated use;

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

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

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

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

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

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

b. A contract subject to this section shall:

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

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

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

d. As used in this section:

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

a. can withstand repeated use;

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

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

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

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

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

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

b. A contract subject to this section shall:

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

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

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

d. As used in this section:

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

a. can withstand repeated use;

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

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

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

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

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

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

b. A contract subject to this section shall:

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

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

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

d. As used in this section:

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

a. can withstand repeated use;

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

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

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

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

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

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

b. A contract subject to this section shall:

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

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

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

d. As used in this section:

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

a. can withstand repeated use;

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

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

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

7. a. Every small employer health benefits plan that provides hospital or medical expense benefits and is delivered, issued, executed, or renewed in this State pursuant to P.L.1992, c.162 (C.17B:27A-17 et seq.) or is approved for issuance or renewal in this State by the Commissioner of Banking and Insurance, on or after the effective date of this act, shall provide coverage for expenses incurred in the purchase of a wig under the following circumstances:

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

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

b. A contract subject to this section shall:

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

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

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

d. As used in this section:

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

a. can withstand repeated use;

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

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

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

8. a. Every health maintenance organization contract that is delivered, issued, executed, or renewed in this State pursuant to P.L.1973, c.337 (C.26:2J-1 et seq.) or is approved for issuance or renewal in this State by the Commissioner of Banking and Insurance, on or after the effective date of this act, shall provide coverage for expenses incurred in the purchase of a wig under the following circumstances:

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

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

b. A contract subject to this section shall:

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

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

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

d. As used in this section:

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

a. can withstand repeated use;

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

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

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

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

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

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

b. A contract subject to this section shall:

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

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

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

d. As used in this section:

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

a. can withstand repeated use;

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

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

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

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

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

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

b. A contract subject to this section shall:

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

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

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

As used in this section:

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

a. can withstand repeated use;

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

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

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

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

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

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

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

c. The Commissioner shall establish:

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

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

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

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

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

g. As used in this section:

"Commissioner" means the Commissioner of Human Services.

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

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

a. can withstand repeated use;

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

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

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

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

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

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

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

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

STATEMENT

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

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

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

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

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

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

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