

**ASSEMBLY, No. 4371**

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**STATE OF NEW JERSEY**

**221st LEGISLATURE**

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INTRODUCED MAY 16, 2024

**Sponsored by:**  
**Assemblyman HERB CONAWAY, JR.**  
**District 7 (Burlington)**

**SYNOPSIS**

Requires workers' compensation, PIP, and health insurance coverage for the medical use of cannabis under certain circumstances.

**CURRENT VERSION OF TEXT**

As introduced.



A4371 CONAWAY

2

1 AN ACT concerning the medical use of cannabis and insurance  
2 coverage, amending P.L.2009, c.307, and supplementing various  
3 parts of the statutory law.

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

7  
8 1. Section 16 of P.L.2009, c.307 (C.24:6I-14) is amended to  
9 read as follows:

10 16. a. Nothing in P.L.2009, c.307 (C.24:6I-1 et al.) or  
11 P.L.2015, c.158 (C.18A:40-12.22 et al.) shall be construed to  
12 require a government medical assistance program or private health  
13 insurer to reimburse a person for costs associated with the medical  
14 use of cannabis, or to restrict or otherwise affect the distribution,  
15 sale, prescribing, and dispensing of any product that has been  
16 approved for marketing as a prescription drug or device by the  
17 federal Food and Drug Administration.

18 b. Notwithstanding the provisions of subsection a. of this  
19 section, an employer or workers' compensation insurance carrier or  
20 private passenger automobile insurance carrier shall provide  
21 coverage for costs associated with the medical use of cannabis  
22 pursuant to P.L. , c. (C. ) (pending before the Legislature as  
23 this bill) except that an employer or carrier shall not be required to  
24 provide coverage for costs associated with the medical use of  
25 cannabis upon intervention by the federal government to enforce the  
26 "Controlled Substances Act" (21 U.S.C. s.801 et seq.).  
27 (cf: P.L.2019, c.153, s.22)

28  
29 2. (New section) The Legislature finds and declares that  
30 scientific data indicate that medical cannabis has significant  
31 medical value when used in the treatment of certain injuries and  
32 diseases, including pain relief, control of nausea and vomiting, and  
33 appetite stimulation. Cannabis also has potential therapeutic value  
34 from effects such as anxiety reduction, sedation, and euphoria.  
35 Scientific studies have found that cannabis is effective in relieving  
36 some of the symptoms of HIV/AIDS, cancer, glaucoma, and  
37 multiple sclerosis. Other studies have suggested that medical  
38 cannabis legalization may lead to decreased prescription opioid  
39 abuse.

40 Although medical cannabis has many useful therapeutic benefits,  
41 its use is limited because its costs are not covered by insurance. By  
42 requiring coverage for medical cannabis under workers'  
43 compensation and private passenger automobile insurance, access to  
44 these benefits will be expanded. Additionally, medical cannabis

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

**Matter underlined thus is new matter.**

1 may lower costs for insurers by providing a more economical  
2 alternative to more expensive and risky drugs such as opioids.

3

4 3. (New section) a. Personal injury protection benefits  
5 provided pursuant to section 4 of P.L.1972, c.70 (C.39:6A-4) or  
6 section 4 of P.L.1998, c.21 (C.39:6A-3.1) shall include coverage for  
7 costs associated with the medical use of cannabis provided that the  
8 insured is a qualifying patient authorized for the medical use of  
9 cannabis pursuant to P.L.2009, c.307 (C.24:6I-1 et al).

10 b. A private passenger automobile insurer shall not be required  
11 to provide coverage for costs associated with the medical use of  
12 cannabis upon intervention by the federal government to enforce the  
13 "Controlled Substances Act" (21 U.S.C. s.801 et seq.).

14 c. Notwithstanding any provision of the insurance policy to the  
15 contrary, if for any reason payment by the insurer to the medical  
16 cannabis dispensary is not feasible, the insurer shall remit directly  
17 to the insured the costs for any benefits associated with the medical  
18 use of cannabis upon proof of payment by the insured to the  
19 medical cannabis dispensary.

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21 4. (New section) a. Workers' compensation benefits paid by  
22 any employer or a workers' compensation insurance carrier of an  
23 employer for an injury to an employee under R.S.34:15-1 et seq.  
24 shall include coverage for costs associated with the medical use of  
25 cannabis provided that the employee is a qualifying patient  
26 authorized for the medical use of cannabis pursuant to P.L.2009,  
27 c.307 (C.24:6I-1 et al).

28 b. An employer or workers' compensation insurance carrier  
29 shall not be required to provide coverage for costs associated with  
30 the medical use of cannabis upon intervention by the federal  
31 government to enforce the "Controlled Substances Act" (21 U.S.C.  
32 s.801 et seq.).

33 c. Notwithstanding any provision of the employer's plan or  
34 insurance policy to the contrary, if for any reason payment by the  
35 employer or carrier to the medical cannabis dispensary is not  
36 feasible, the employer or carrier shall remit directly to the employee  
37 the costs for any benefits associated with the medical use of  
38 cannabis upon proof of payment by the employee to the medical  
39 cannabis dispensary.

40

41 5. (New section) a. A carrier that offers a health benefits plan  
42 in this State shall provide coverage for costs associated with the  
43 medical use of cannabis provided that the covered person is a  
44 qualifying patient authorized for the medical use of cannabis pursuant  
45 to P.L.2009, c.307 (C.24:6I-1 et al).

46 b. A carrier shall not be required to provide coverage for costs  
47 associated with the medical use of cannabis upon intervention by the

1 federal government to enforce the "Controlled Substances Act" (21  
2 U.S.C. s.801 et seq.).

3 c. Notwithstanding any provision of the health benefits plan to  
4 the contrary, if for any reason payment by the carrier to the medical  
5 cannabis dispensary is not feasible, the carrier shall remit directly to  
6 the covered person the costs for any benefits associated with the  
7 medical use of cannabis upon proof of payment by the covered person  
8 to the medical cannabis dispensary.

9 d. As used in this section:

10 "Carrier" means an insurance company, health service corporation,  
11 hospital service corporation, medical service corporation, or health  
12 maintenance organization authorized to issue health benefits plans in  
13 this State or any entity contracted to administer health benefits in  
14 connection with the State Health Benefits Program or School  
15 Employees' Health Benefits Program.

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17 6. This act shall take effect on the 90th day next following  
18 enactment.

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#### STATEMENT

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23 This bill requires workers' compensation, personal injury  
24 protection (PIP), and health insurance coverage for the medical use  
25 of cannabis under certain circumstances.

26 The bill provides that personal injury protection automobile  
27 insurance benefits, workers' compensation benefits, and health  
28 benefits plans must include coverage for costs associated with the  
29 medical use of cannabis, provided that the insured, employee, or  
30 covered person is a qualifying patient authorized for the medical  
31 use of cannabis pursuant to the "Jake Honig Compassionate Use  
32 Medical Cannabis Act," P.L.2009, c.307 (C.24:6I-1 et al).

33 In addition, the bill provides that an employer or workers'  
34 compensation insurance carrier, private passenger automobile  
35 insurance carrier, or health insurance carrier is not required to  
36 provide coverage or benefits for costs associated with the medical  
37 use of cannabis upon intervention by the federal government to  
38 enforce of the federal "Controlled Substances Act" (21 U.S.C. s.801  
39 et seq.).

40 Lastly, the bill provides that an employer, insurer, or health  
41 insurance carrier shall, if for any reason payment by the employer,  
42 insurer, or health insurance carrier to the medical cannabis  
43 dispensary is not feasible, remit directly to the insured, employee,  
44 or covered person the costs for any benefits associated with the  
45 medical use of cannabis upon proof of payment by the insured,  
46 employee, or covered person to the medical cannabis dispensary.