

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

SENATE, No. 4148 STATE OF NEW JERSEY 221st LEGISLATURE

DATED: DECEMBER 24, 2025

SUMMARY

- Synopsis:** Establishes “New Jersey Menopause Coverage Act”; requires health insurance coverage of medically necessary perimenopause and menopause treatments.
- Type of Impact:** Annual expenditure increase to the State and certain local entities; annual State revenue increase.
- Agencies Affected:** Division of Pensions and Benefits in the Department of the Treasury; Department of Human Services; certain local governments and school districts participating in SHBP and SEHBP.

Office of Legislative Services Estimate

Fiscal Impact	Annual
State Expenditure Increase for SHBP-State	Indeterminate
Local Expenditure Increase for SHBP-Local and SEHBP	Indeterminate
State Expenditure Increase for NJ FamilyCare	Indeterminate
State Revenue Increase under NJ FamilyCare	Indeterminate

- The Office of Legislative Services (OLS) estimates that requiring the State Health Benefits Program, the School Employees’ Health Benefits Program, and the NJ FamilyCare program to provide coverage for medically necessary perimenopause and menopause treatments may result in indeterminate annual expenditure increases to the State and to certain local entities. Any expenses incurred under the NJ FamilyCare program would concomitantly grow annual State revenue in the form of federal Medicaid cost reimbursements.

BILL DESCRIPTION

This bill requires all hospital and medical benefits contracts offered in this State, including those providing for the administration of health benefits in connection with the State Health Benefits Program, the School Employees’ Health Benefits Program, and the NJ FamilyCare



program (the State's Medicaid program), to provide coverage for medically necessary perimenopause and menopause treatments.

The bill provides that such treatments include, but are not limited to, hormonal therapies, non-hormonal therapies, behavioral health care services, pelvic floor physical therapy, bone health treatments and related services and medications, preventative services, and counseling and education services.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

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The actual annual cost increase to the State and participating local employers under the State Health Benefits Program and the School Employees' Health Benefits Program will depend on the number of covered persons who seek medically necessary perimenopause and menopause treatments; the utilization management and cost-sharing requirements applied to such treatments by the programs; and the negotiated cost of such treatments between the State, the State's third party medical and prescription drug benefit administrators, and various providers.

The OLS does not have the information to determine the number of covered persons who will seek medically necessary perimenopause and menopause treatments, but notes that women who may seek such treatment comprised between seven and 17 percent of the State's overall population as of Plan Year 2023. Additionally, a 2023 analysis of 2021 commercial claims data by the consulting firm Milliman found average allowed monthly per-member costs for women undergoing hormone replacement therapy and non-hormonal menopause therapy to be 23 percent and 12 percent higher, respectively, than average allowed monthly per-member costs among women of the same age not undergoing treatment for menopause. The OLS notes that multiple U.S. Food and Drug Administration approved medications for hormone replacement therapy and non-hormonal menopause treatment, including, but not limited to, estradiol, medroxyprogesterone acetate, gabapentin, as well as various anti-depressants and mood regulators, are already covered by the State Health Benefits Program and School Employees' Health Benefits Program.

The actual annual cost increase, and subsequent revenue increase, to the State under NJFamilyCare will depend largely on the extent to which the benefits mandated under the bill are currently covered under NJ FamilyCare. For example, drug expenditure data provided by the Centers for Medicare and Medicaid Services indicates that certain hormone replacement therapy medications are currently provided under NJ FamilyCare. Additionally, behavioral health services are broadly covered under NJ FamilyCare, as well as certain bone treatment services such as bone density studies. For those benefits that will be newly covered under the bill, the fiscal impact to the State will be determined by the number of enrollees who receive services, the utilization

management requirements applied to such services, and the negotiated cost of such services under NJ FamilyCare.

Section: State Government

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This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).