

SENATE, No. 4687

STATE OF NEW JERSEY
222nd LEGISLATURE

INTRODUCED OCTOBER 1, 2026

Sponsored by:
Senator JOSEPH F. VITALE
District 19 (Middlesex)
Senator ANGELA V. MCKNIGHT
District 31 (Hudson)

SYNOPSIS

Establishes Basic Health Program for low-income individuals who are ineligible for Medicaid.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 10/1/2026)

1 AN ACT concerning health care access for certain individuals and
2 supplementing P.L.1992, c.161 (C.17B:27A-2 et seq.).
3

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

7 1. a. The commissioner shall apply to the United States
8 Secretary of Health and Human Services and the United States
9 Secretary of the Treasury, under 42 U.S.C. s.18051 for a waiver of
10 applicable provisions of the “Patient Protection and Affordable
11 Care Act” with respect to health insurance coverage in the State for
12 a plan year beginning on or after January 1, 2027, to effectuate the
13 provisions of this act. If the waiver is approved, the commissioner
14 may accept the waiver so long as the commissioner determines that
15 implementation of the plan:

16 (1) will be beneficial to policyholders; and

17 (2) is expected to stabilize or reduce premiums for individuals
18 residing in this State with incomes at or below 200 percent of the
19 federal poverty guidelines who do not qualify for the State
20 Medicaid or NJ FamilyCare Program.

21 b. If the commissioner accepts the waiver pursuant to
22 subsection a. of this section, the commissioner and the board shall
23 implement the plan to meet the waiver requirements in a manner
24 consistent with federal and State law, as approved by the United
25 States Secretary of Health and Human Services, and consistent with
26 the provisions of this act. The commissioner may contract for
27 actuarial services as necessary to implement the waiver application
28 required pursuant to this section.
29

30 2. a. The commissioner shall establish a Basic Health Program
31 in accordance with section 1331 of the “Patient Protection and
32 Affordable Care Act” (42 U.S.C. s.18051), contingent upon the
33 approval from the United States Secretary of Health and Human
34 Services and the United States Secretary of the Treasury of a State
35 Innovation Waiver application pursuant to section 1331 of the
36 “Patient Protection and Affordable Care Act” (42 U.S.C. s.18051)
37 and the commissioner's acceptance of any approval as provided in
38 section 1 of this act.

39 b. The Basic Health Program shall:

40 (1) prioritize health equity, reduce the rate of uninsurance in this
41 State, and promote continuous health care coverage;

42 (2) ensure that the program is available to qualified individuals
43 residing in this State with incomes at or below 200 percent of the
44 federal poverty guidelines who do not qualify for the State
45 Medicaid or NJ FamilyCare Program;

46 (3) maximize leveraging of federal funds and minimize costs for
47 enrollees in the program and to the State;

1 (4) provide, at a minimum, all essential health benefits required
2 for an individual health benefits plan pursuant to P.L.2019, c.354
3 (C.17B:27A-7.26 et al.) and, to the extent practicable, an option or
4 options for dental coverage;

5 (5) to the extent practicable, include an option that has no cost-
6 sharing, deductibles or other out-of-pocket costs and an option that
7 provides lesser cost-sharing, deductibles or other out-of-pocket
8 costs than qualified health plans on the health insurance exchange;

9 (6) establish a capitation rate to be paid to providers that is
10 sufficient to provide coverage, but with reimbursement rates that
11 are higher than the current Medicaid reimbursement rates, to the
12 extent practicable;

13 (7) offer health care coverage through managed care
14 organizations and align procurements for service providers on the
15 same cycle as the procurements cycle for managed care
16 organizations;

17 (8) provide a transition period for eligible individuals to enroll
18 in the program;

19 (9) take into account the health insurance exchange as an option
20 for potential program participants if the participants choose to opt
21 out of the program; and

22 (10) in addition to using managed care organizations to deliver
23 the services in the program, include an option for offering the Basic
24 Health Program on the health insurance exchange if the plans meet
25 criteria established by the department.

26
27 3. The New Jersey Health Insurance Premium Security Fund,
28 created pursuant to section 10 of P.L.2018, c.24 (C.17B:27A-
29 10.10), shall be the repository for monies collected pursuant to this
30 act, which shall be contingent upon approval from the United States
31 Secretary of Health and Human Services and the United States
32 Secretary of the Treasury of a State Innovation Waiver application
33 pursuant to section 1331 of the "Patient Protection and Affordable
34 Care Act" (42 U.S.C. s.18051) and the commissioner's acceptance
35 of any approval as provided in section 1 of this act.

36
37 4. This act shall take effect immediately, except that sections 2
38 and 3 shall remain inoperative until the Commissioner of Banking
39 and Insurance is granted and accepts a waiver pursuant to section 1
40 of this act, and the commissioner and the board may take any
41 anticipatory administrative action in advance as necessary for the
42 implementation of this act.

43 44 45 STATEMENT

46
47 This bill directs the Commissioner of Banking and Insurance to
48 apply for a federal waiver of certain provisions of the Patient

1 Protection and Affordable Care Act to support a Basic Health
2 Program to provide health insurance to low-income individuals who
3 are ineligible for Medicaid coverage. A Basic Health Program is to
4 provide at a minimum, among other items:

5 (1) all essential health benefits required for an individual health
6 benefits plan pursuant to current New Jersey law and, to the extent
7 practicable, an option or options for dental coverage; and

8 (2) to the extent practicable, an option that has no cost-sharing,
9 deductibles or other out-of-pocket costs and an option that provides
10 lesser cost-sharing, deductibles or other out-of-pocket costs than
11 qualified health plans on the health insurance exchange.

12 If the waiver is granted and the commissioner accepts the waiver,
13 the board and the commissioner are to implement the plan to meet
14 the waiver requirements in a manner consistent with federal and
15 State law, as approved by the United States Secretary of Health and
16 Human Services and the United States Secretary of the Treasury,
17 and consistent with the provisions of the bill. The bill stipulates
18 that the New Jersey Health Insurance Premium Security Fund in the
19 State Treasury is to be the repository for monies collected pursuant
20 to the bill, contingent upon approval of a State Innovation Waiver
21 application pursuant to section 1331 of the Affordable Care Act and
22 the commissioner's acceptance of that approval.