

ASSEMBLY, No. 841

STATE OF NEW JERSEY 213th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2008 SESSION

Sponsored by:

Assemblyman UPENDRA J. CHIVUKULA
District 17 (Middlesex and Somerset)

Co-Sponsored by:

Assemblyman Vas

SYNOPSIS

Requires health insurers to cover costs of early intervention services.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel



1 AN ACT concerning health benefits coverage for early intervention
2 services and supplementing Titles 17 and 26 of the Revised
3 Statutes and Title 17B of the New Jersey Statutes.
4

5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:
7

8 1. a. Notwithstanding any other provision of law to the
9 contrary, every hospital service corporation contract that provides
10 hospital and medical expense benefits and is delivered, issued,
11 executed or renewed in this State pursuant to P.L.1938, c.366
12 (C.17:48-1 et seq.), or approved for issuance or renewal in this State
13 by the Commissioner of Banking and Insurance, on or after the
14 effective date of this act, shall provide coverage for expenses
15 incurred for medically necessary early intervention services and
16 other necessary health services for covered persons from birth to
17 three years of age whose primary diagnosis is developmental delay
18 and who are certified by the Department of Health and Senior
19 Services as eligible for services under Part H of the federal
20 "Individuals with Disabilities Education Act" (20 U.S.C. s.1471 et
21 seq.). The coverage shall be limited to a benefit of \$7,500 for a
22 covered person in each contract or calendar year, to be expended on
23 such medically necessary early intervention services and other
24 necessary health services as the parent or guardian of the covered
25 person approves.

26 As used in this section:

27 "Developmental delay" means a developmental delay, as
28 measured by appropriate diagnostic instruments and procedures, in
29 one or more of the following areas: cognitive development; physical
30 development, including, but not limited to, fine and gross motor
31 delays; communication development; social or emotional
32 development; or adaptive development; or a diagnosed physical or
33 mental condition that has a high probability of resulting in a
34 developmental delay in one or more of those areas, including, but
35 not limited to a: chromosomal abnormality; genetic or congenital
36 disorder; severe sensory impairment, including hearing and vision;
37 inborn error of metabolism; disorder reflecting disturbance of the
38 development of the nervous system; congenital infection; disorder
39 secondary to exposure to toxic substances, including fetal alcohol
40 syndrome; and severe attachment disorder.

41 "Early intervention services" means one or more of the following
42 as described in 34 CFR s.303.12: assistive technology devices and
43 services; audiology; family training and counseling; nursing
44 services; nutritional services; occupational therapy; physical
45 therapy; psychological services; service coordination and case
46 management services; social work services; speech therapy;
47 transportation; and vision services.

48 "Other necessary health services" means services as described in

1 34 CFR s.303.13 that are necessary to enable a child to benefit from
2 early intervention services.

3 b. The benefits provided pursuant to subsection a. of this
4 section shall be excluded from the calculation of any lifetime
5 benefit limit for medical or surgical benefits under the contract.

6 c. In the case of a covered person who is eligible for services
7 under any State program that provides treatment for which benefits
8 are required to be provided to the covered person pursuant to this
9 section, the required benefits shall be provided to the covered
10 person under the hospital service corporation contract prior to that
11 person's receipt of services under the State program.

12 d. This section shall apply to those hospital service corporation
13 contracts in which the hospital service corporation has reserved the
14 right to change the premium.

15 e. The Commissioner of Banking and Insurance, pursuant to
16 the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
17 seq.) and in consultation with the Commissioners of Education and
18 Health and Senior Services, shall adopt rules and regulations
19 necessary to effectuate the purposes of this section.
20

21 2. a. Notwithstanding any other provision of law to the
22 contrary, every medical service corporation contract that provides
23 hospital and medical expense benefits and is delivered, issued,
24 executed or renewed in this State pursuant to P.L.1940, c.74
25 (C.17:48A-1 et seq.), or approved for issuance or renewal in this
26 State by the Commissioner of Banking and Insurance, on or after
27 the effective date of this act, shall provide coverage for expenses
28 incurred for medically necessary early intervention services and
29 other necessary health services for covered persons from birth to
30 three years of age whose primary diagnosis is developmental delay
31 and who are certified by the Department of Health and Senior
32 Services as eligible for services under Part H of the federal
33 "Individuals with Disabilities Education Act" (20 U.S.C. s.1471 et
34 seq.). The coverage shall be limited to a benefit of \$7,500 for a
35 covered person in each contract or calendar year, to be expended on
36 such medically necessary early intervention services and other
37 necessary health services as the parent or guardian of the covered
38 person approves.

39 As used in this section:

40 "Developmental delay" means a developmental delay, as
41 measured by appropriate diagnostic instruments and procedures, in
42 one or more of the following areas: cognitive development; physical
43 development, including, but not limited to, fine and gross motor
44 delays; communication development; social or emotional
45 development; or adaptive development; or a diagnosed physical or
46 mental condition that has a high probability of resulting in a
47 developmental delay in one or more of those areas, including, but
48 not limited to a: chromosomal abnormality; genetic or congenital

1 disorder; severe sensory impairment, including hearing and vision;
2 inborn error of metabolism; disorder reflecting disturbance of the
3 development of the nervous system; congenital infection; disorder
4 secondary to exposure to toxic substances, including fetal alcohol
5 syndrome; and severe attachment disorder.

6 "Early intervention services" means one or more of the following
7 as described in 34 CFR s.303.12: assistive technology devices and
8 services; audiology; family training and counseling; nursing
9 services; nutritional services; occupational therapy; physical
10 therapy; psychological services; service coordination and case
11 management services; social work services; speech therapy;
12 transportation; and vision services.

13 "Other necessary health services" means services as described in
14 34 CFR s.303.13 that are necessary to enable a child to benefit from
15 early intervention services.

16 b. The benefits provided pursuant to subsection a. of this
17 section shall be excluded from the calculation of any lifetime
18 benefit limit for medical or surgical benefits under the contract.

19 c. In the case of a covered person who is eligible for services
20 under any State program that provides treatment for which benefits
21 are required to be provided to the covered person pursuant to this
22 section, the required benefits shall be provided to the covered
23 person under the medical service corporation contract prior to that
24 person's receipt of services under the State program.

25 d. This section shall apply to those medical service corporation
26 contracts in which the medical service corporation has reserved the
27 right to change the premium.

28 e. The Commissioner of Banking and Insurance, pursuant to
29 the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
30 seq.) and in consultation with the Commissioners of Education and
31 Health and Senior Services, shall adopt rules and regulations
32 necessary to effectuate the purposes of this section.

33
34 3. a. Notwithstanding any other provision of law to the
35 contrary, every health service corporation contract that provides
36 hospital and medical expense benefits and is delivered, issued,
37 executed or renewed in this State pursuant to P.L.1985, c.236
38 (C.17:48E-1 et seq.) or approved for issuance or renewal in this
39 State by the Commissioner of Banking and Insurance, on or after
40 the effective date of this act, shall provide coverage for expenses
41 incurred for medically necessary early intervention services and
42 other necessary health services for covered persons from birth to
43 three years of age whose primary diagnosis is developmental delay
44 and who are certified by the Department of Health and Senior
45 Services as eligible for services under Part H of the federal
46 "Individuals with Disabilities Education Act" (20 U.S.C. s.1471 et
47 seq.). The coverage shall be limited to a benefit of \$7,500 for a
48 covered person in each contract or calendar year, to be expended on

1 such medically necessary early intervention services and other
2 necessary health services as the parent or guardian of the covered
3 person approves.

4 As used in this section:

5 "Developmental delay" means a developmental delay, as
6 measured by appropriate diagnostic instruments and procedures, in
7 one or more of the following areas: cognitive development; physical
8 development, including, but not limited to, fine and gross motor
9 delays; communication development; social or emotional
10 development; or adaptive development; or a diagnosed physical or
11 mental condition that has a high probability of resulting in a
12 developmental delay in one or more of those areas, including, but
13 not limited to a: chromosomal abnormality; genetic or congenital
14 disorder; severe sensory impairment, including hearing and vision;
15 inborn error of metabolism; disorder reflecting disturbance of the
16 development of the nervous system; congenital infection; disorder
17 secondary to exposure to toxic substances, including fetal alcohol
18 syndrome; and severe attachment disorder.

19 "Early intervention services" means one or more of the following
20 as described in 34 CFR s.303.12: assistive technology devices and
21 services; audiology; family training and counseling; nursing
22 services; nutritional services; occupational therapy; physical
23 therapy; psychological services; service coordination and case
24 management services; social work services; speech therapy;
25 transportation; and vision services.

26 "Other necessary health services" means services as described in
27 34 CFR s.303.13 that are necessary to enable a child to benefit from
28 early intervention services.

29 b. The benefits provided pursuant to subsection a. of this
30 section shall be excluded from the calculation of any lifetime
31 benefit limit for medical or surgical benefits under the contract.

32 c. In the case of a covered person who is eligible for services
33 under a State program that provides treatment for which benefits are
34 required to be provided to the covered person pursuant to this
35 section, the required benefits shall be provided to the covered
36 person under the health service corporation contract prior to that
37 person's receipt of services under the State program.

38 d. This section shall apply to those health service corporation
39 contracts in which the health service corporation has reserved the
40 right to change the premium.

41 e. The Commissioner of Banking and Insurance, pursuant to
42 the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
43 seq.) and in consultation with the Commissioners of Education and
44 Health and Senior Services, shall adopt rules and regulations
45 necessary to effectuate the purposes of this section.

46

47 4. a. Notwithstanding any other provision of law to the
48 contrary, every group health insurance policy that provides hospital

1 and medical expense benefits and is delivered, issued, executed or
2 renewed in this State pursuant to chapter 27 of Title 17B of the New
3 Jersey Statutes, or approved for issuance or renewal in this State by
4 the Commissioner of Banking and Insurance, on or after the
5 effective date of this act, shall provide coverage for expenses
6 incurred for medically necessary early intervention services and
7 other necessary health services for covered persons from birth to
8 three years of age whose primary diagnosis is developmental delay
9 and who are certified by the Department of Health and Senior
10 Services as eligible for services under Part H of the federal
11 "Individuals with Disabilities Education Act" (20 U.S.C. s.1471 et
12 seq.). The coverage shall be limited to a benefit of \$7,500 for a
13 covered person in each policy or calendar year, to be expended on
14 such medically necessary early intervention services and other
15 necessary health services as the parent or guardian of the covered
16 person approves.

17 As used in this section:

18 "Developmental delay" means a developmental delay, as
19 measured by appropriate diagnostic instruments and procedures, in
20 one or more of the following areas: cognitive development;
21 physical development, including, but not limited to, fine and gross
22 motor delays; communication development; social or emotional
23 development; or adaptive development; or a diagnosed physical or
24 mental condition that has a high probability of resulting in a
25 developmental delay in one or more of those areas, including, but
26 not limited to a: chromosomal abnormality; genetic or congenital
27 disorder; severe sensory impairment, including hearing and vision;
28 inborn error of metabolism; disorder reflecting disturbance of the
29 development of the nervous system; congenital infection; disorder
30 secondary to exposure to toxic substances, including fetal alcohol
31 syndrome; and severe attachment disorder.

32 "Early intervention services" means one or more of the following
33 as described in 34 CFR s.303.12: assistive technology devices and
34 services; audiology; family training and counseling; nursing
35 services; nutritional services; occupational therapy; physical
36 therapy; psychological services; service coordination and case
37 management services; social work services; speech therapy;
38 transportation; and vision services.

39 "Other necessary health services" means services as described in
40 34 CFR s.303.13 that are necessary to enable a child to benefit from
41 early intervention services.

42 b. The benefits provided pursuant to subsection a. of this
43 section shall be excluded from the calculation of any lifetime
44 benefit limit for medical or surgical benefits under the policy.

45 c. In the case of a covered person who is eligible for services
46 under a State program that provides treatment for which benefits are
47 required to be provided to the covered person pursuant to this
48 section, the required benefits shall be provided to the covered

1 person under the policy prior to that person's receipt of services
2 under the State program.

3 d. This section shall apply to those policies in which the insurer
4 has reserved the right to change the premium.

5 e. The Commissioner of Banking and Insurance, pursuant to
6 the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
7 seq.) and in consultation with the Commissioners of Education and
8 Health and Senior Services, shall adopt rules and regulations
9 necessary to effectuate the purposes of this section.

10

11 5. a. Notwithstanding any other provision of law to the
12 contrary, every individual health insurance policy that provides
13 hospital and medical expense benefits and is delivered, issued,
14 executed or renewed in this State pursuant to chapter 26 of Title
15 17B of the New Jersey Statutes, or approved for issuance or renewal
16 in this State by the Commissioner of Banking and Insurance, on or
17 after the effective date of this act, shall provide coverage for
18 expenses incurred for medically necessary early intervention
19 services and other necessary health services for covered persons
20 from birth to three years of age whose primary diagnosis is
21 developmental delay and who are certified by the Department of
22 Health and Senior Services as eligible for services under Part H of
23 the federal "Individuals with Disabilities Education Act" (20 U.S.C.
24 s.1471 et seq.). The coverage shall be limited to a benefit of \$7,500
25 for a covered person in each policy or calendar year, to be expended
26 on such medically necessary early intervention services and other
27 necessary health services as the parent or guardian of the covered
28 person approves.

29 As used in this section:

30 "Developmental delay" means a developmental delay, as
31 measured by appropriate diagnostic instruments and procedures, in
32 one or more of the following areas: cognitive development; physical
33 development, including, but not limited to, fine and gross motor
34 delays; communication development; social or emotional
35 development; or adaptive development; or a diagnosed physical or
36 mental condition that has a high probability of resulting in a
37 developmental delay in one or more of those areas, including, but
38 not limited to a: chromosomal abnormality; genetic or congenital
39 disorder; severe sensory impairment, including hearing and vision;
40 inborn error of metabolism; disorder reflecting disturbance of the
41 development of the nervous system; congenital infection; disorder
42 secondary to exposure to toxic substances, including fetal alcohol
43 syndrome; and severe attachment disorder.

44 "Early intervention services" means one or more of the following
45 as described in 34 CFR s.303.12: assistive technology devices and
46 services; audiology; family training and counseling; nursing
47 services; nutritional services; occupational therapy; physical
48 therapy; psychological services; service coordination and case

1 management services; social work services; speech therapy;
2 transportation; and vision services.

3 "Other necessary health services" means services as described in
4 34 CFR s.303.13 that are necessary to enable a child to benefit from
5 early intervention services.

6 b. The benefits provided pursuant to subsection a. of this
7 section shall be excluded from the calculation of any lifetime
8 benefit limit for medical or surgical benefits under the policy.

9 c. In the case of a covered person who is eligible for services
10 under a State program that provides treatment for which benefits are
11 required to be provided to the covered person pursuant to this
12 section, the required benefits shall be provided to the covered
13 person under the policy prior to that person's receipt of services
14 under the State program.

15 d. This section shall apply to those policies in which the insurer
16 has reserved the right to change the premium.

17 e. The Commissioner of Banking and Insurance, pursuant to
18 the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
19 seq.) and in consultation with the Commissioners of Education and
20 Health and Senior Services, shall adopt rules and regulations
21 necessary to effectuate the purposes of this section.
22

23 6. a. Notwithstanding any other provision of law to the
24 contrary, a health maintenance organization contract that provides
25 health care services and is delivered, issued, executed or renewed in
26 this State pursuant to P.L.1973, c.337 (C.26:2J-1 et seq.), or
27 approved for issuance or renewal in this State by the Commissioner
28 of Banking and Insurance, on or after the effective date of this act,
29 shall provide health care services for medically necessary early
30 intervention services and other necessary health services for
31 enrollees from birth to three years of age whose primary diagnosis
32 is developmental delay and who are certified by the Department of
33 Health and Senior Services as eligible for services under Part H of
34 the federal "Individuals with Disabilities Education Act" (20 U.S.C.
35 s.1471 et seq.). The health care services shall be limited to a
36 benefit of \$7,500 for an enrollee in each contract or calendar year,
37 to be expended on such medically necessary early intervention
38 services and other necessary health services as the parent or
39 guardian of the enrollee approves.

40 As used in this section:

41 "Developmental delay" means a developmental delay, as
42 measured by appropriate diagnostic instruments and procedures, in
43 one or more of the following areas: cognitive development;
44 physical development, including, but not limited to, fine and gross
45 motor delays; communication development; social or emotional
46 development; or adaptive development; or a diagnosed physical or
47 mental condition that has a high probability of resulting in a
48 developmental delay in one or more of those areas, including, but

1 not limited to a: chromosomal abnormality; genetic or congenital
2 disorder; severe sensory impairment, including hearing and vision;
3 inborn error of metabolism; disorder reflecting disturbance of the
4 development of the nervous system; congenital infection; disorder
5 secondary to exposure to toxic substances, including fetal alcohol
6 syndrome; and severe attachment disorder.

7 "Early intervention services" means one or more of the following
8 as described in 34 CFR s.303.12: assistive technology devices and
9 services; audiology; family training and counseling; nursing
10 services; nutritional services; occupational therapy; physical
11 therapy; psychological services; service coordination and case
12 management services; social work services; speech therapy;
13 transportation; and vision services.

14 "Other necessary health services" means services as described in
15 34 CFR s.303.13 that are necessary to enable a child to benefit from
16 early intervention services.

17 b. The health care services provided pursuant to subsection a.
18 of this section shall be excluded from the calculation of any lifetime
19 benefit limit for medical or surgical benefits under the contract.

20 c. In the case of an enrollee who is eligible for services under a
21 State program that provides treatment for which health care services
22 are required to be provided to the enrollee pursuant to this section,
23 the required health care services shall be provided to the enrollee
24 under the health maintenance organization contract prior to the
25 enrollee's receipt of services under the State program.

26 d. The provisions of this section shall apply to those contracts
27 for health care services by health maintenance organizations under
28 which the right to change the schedule of charges for enrollee
29 coverage is reserved.

30 e. The Commissioner of Health and Senior Services, pursuant
31 to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-
32 1 et seq.) and in consultation with the Commissioners of Education
33 and Banking and Insurance, shall adopt rules and regulations
34 necessary to effectuate the purposes of this section.

35
36 7. a. Notwithstanding any other provision of law to the
37 contrary, an individual health benefits plan required pursuant to
38 section 3 of P.L.1992, c.161 (C.17B:27A-4) that provides hospital
39 and medical expense benefits and is delivered, issued, executed or
40 renewed in this State, or approved for issuance or renewal in this
41 State, on or after the effective date of this act, shall provide
42 coverage for expenses incurred for medically necessary early
43 intervention services and other necessary health services for
44 covered persons from birth to three years of age whose primary
45 diagnosis is developmental delay and who are certified by the
46 Department of Health and Senior Services as eligible for services
47 under Part H of the federal "Individuals with Disabilities Education
48 Act" (20 U.S.C. s.1471 et seq.). The coverage shall be limited to a

1 benefit of \$7,500 for a covered person in each health benefits plan
2 or calendar year, to be expended on such medically necessary early
3 intervention services and other necessary health services as the
4 parent or guardian of the covered person approves.

5 As used in this section:

6 "Developmental delay" means a developmental delay, as
7 measured by appropriate diagnostic instruments and procedures, in
8 one or more of the following areas: cognitive development;
9 physical development, including, but not limited to, fine and gross
10 motor delays; communication development; social or emotional
11 development; or adaptive development; or a diagnosed physical or
12 mental condition that has a high probability of resulting in a
13 developmental delay in one or more of those areas, including, but
14 not limited to a: chromosomal abnormality; genetic or congenital
15 disorder; severe sensory impairment, including hearing and vision;
16 inborn error of metabolism; disorder reflecting disturbance of the
17 development of the nervous system; congenital infection; disorder
18 secondary to exposure to toxic substances, including fetal alcohol
19 syndrome; and severe attachment disorder.

20 "Early intervention services" means one or more of the following
21 as described in 34 CFR s.303.12: assistive technology devices and
22 services; audiology; family training and counseling; nursing
23 services; nutritional services; occupational therapy; physical
24 therapy; psychological services; service coordination and case
25 management services; social work services; speech therapy;
26 transportation; and vision services.

27 "Other necessary health services" means services as described in
28 34 CFR s.303.13 that are necessary to enable a child to benefit from
29 early intervention services.

30 b. The benefits provided pursuant to subsection a. of this
31 section shall be excluded from the calculation of any lifetime
32 benefit limit for medical or surgical benefits under the plan.

33 c. In the case of a covered person who is eligible for services
34 under a State program that provides treatment for which benefits are
35 required to be provided to the covered person pursuant to this
36 section, the required benefits shall be provided to the covered
37 person under the health benefits plan prior to that person's receipt of
38 services under the State program.

39 d. This section shall apply to all individual health benefits
40 plans in which the carrier has reserved the right to change the
41 premium.

42 e. The New Jersey Individual Health Coverage Program Board,
43 pursuant to the "Administrative Procedure Act," P.L.1968, c.410
44 (C.52:14B-1 et seq.) and in consultation with the Commissioners of
45 Banking and Insurance, Education and Health and Senior Services,
46 shall adopt rules and regulations necessary to effectuate the
47 purposes of this section.

1 8. a. Notwithstanding any other provision of law to the
2 contrary, a small employer health benefits plan required pursuant to
3 section 3 of P.L.1992, c.162 (C.17B:27A-19) that provides hospital
4 and medical expense benefits and is delivered, issued, executed or
5 renewed in this State, or approved for issuance or renewal in this
6 State by the Commissioner of Banking and Insurance, on or after
7 the effective date of this act, shall provide coverage for expenses
8 incurred for medically necessary early intervention services and
9 other necessary health services for covered persons from birth to
10 three years of age whose primary diagnosis is developmental delay
11 and who are certified by the Department of Health and Senior
12 Services as eligible for services under Part H of the federal
13 "Individuals with Disabilities Education Act" (20 U.S.C. s.1471 et
14 seq.). The coverage shall be limited to a benefit of \$7,500 for a
15 covered person in each health benefits plan or calendar year, to be
16 expended on such medically necessary early intervention services
17 and other necessary health services as the parent or guardian of the
18 covered person approves.

19 As used in this section:

20 "Developmental delay" means a developmental delay, as
21 measured by appropriate diagnostic instruments and procedures, in
22 one or more of the following areas: cognitive development; physical
23 development, including, but not limited to, fine and gross motor
24 delays; communication development; social or emotional
25 development; or adaptive development; or a diagnosed physical or
26 mental condition that has a high probability of resulting in a
27 developmental delay in one or more of those areas, including, but
28 not limited to a: chromosomal abnormality; genetic or congenital
29 disorder; severe sensory impairment, including hearing and vision;
30 inborn error of metabolism; disorder reflecting disturbance of the
31 development of the nervous system; congenital infection; disorder
32 secondary to exposure to toxic substances, including fetal alcohol
33 syndrome; and severe attachment disorder.

34 "Early intervention services" means one or more of the following
35 as described in 34 CFR s.303.12: assistive technology devices and
36 services; audiology; family training and counseling; nursing
37 services; nutritional services; occupational therapy; physical
38 therapy; psychological services; service coordination and case
39 management services; social work services; speech therapy;
40 transportation; and vision services.

41 "Other necessary health services" means services as described in
42 34 CFR s.303.13 that are necessary to enable a child to benefit from
43 early intervention services.

44 b. The benefits provided pursuant to subsection a. of this
45 section shall be excluded from the calculation of any lifetime
46 benefit limit for medical or surgical benefits under the plan.

47 c. In the case of a covered person who is eligible for services
48 under a State program that provides treatment for which benefits are

1 required to be provided to the covered person pursuant to this
2 section, the required benefits shall be provided to the covered
3 person under the health benefits plan prior to that person's receipt of
4 services under the State program.

5 d. This section shall apply to all small employer health benefits
6 plans in which the carrier has reserved the right to change the
7 premium.

8 e. The New Jersey Small Employer Health Benefits Program
9 Board, pursuant to the "Administrative Procedure Act," P.L.1968,
10 c.410 (C.52:14B-1 et seq.) and in consultation with the
11 Commissioners of Banking and Insurance, Education and Health
12 and Senior Services, shall adopt rules and regulations necessary to
13 effectuate the purposes of this section.

14

15 9. This act shall take effect on the 180th day after enactment
16 and shall apply to policies or contracts issued or renewed on or after
17 the effective date.

18

19

20

STATEMENT

21

22 This bill requires health insurers in New Jersey to cover early
23 intervention services and other necessary health services as defined
24 in federal regulations adopted pursuant to the "Individuals with
25 Disabilities Education Act" at 34 CFR Part 303.

26 Specifically, the bill requires health insurers to provide health
27 benefits coverage for expenses incurred for medically necessary
28 early intervention services and other necessary health services for
29 covered persons from birth to three years of age whose primary
30 diagnosis is developmental delay and who are certified by the
31 Department of Health and Senior Services as eligible for services
32 under Part H of the federal "Individuals with Disabilities Education
33 Act" (20 U.S.C.A. s.1471 et seq.). The coverage would be limited
34 to an annual benefit of \$7,500 per covered person, to be expended
35 on such medically necessary early intervention services and other
36 necessary health services as the parent or guardian of the covered
37 person approves.

38 The requirements of the bill would apply to hospital, medical and
39 health service corporations, commercial individual, small employer
40 and group health insurers, and health maintenance organizations.

41 The bill stipulates that:

42 --the health benefits coverage is to be excluded from the
43 calculation of any lifetime benefit limit for medical or surgical
44 benefits under the plan; and

45 --in the case of a covered person who is eligible for services
46 under a State program that provides treatment for which benefits are
47 required to be provided pursuant to this bill, the required benefits
48 are to be provided to the covered person under the health benefits

1 plan prior to that person's receipt of services under the State
2 program.

3 The bill defines:

- 4 • "developmental delay" to mean a developmental delay, as
5 measured by appropriate diagnostic instruments and
6 procedures, in one or more of the following areas: cognitive
7 development; physical development, including, but not
8 limited to, fine and gross motor delays; communication
9 development; social or emotional development; or adaptive
10 development; or a diagnosed physical or mental condition
11 that has a high probability of resulting in a developmental
12 delay in one or more of those areas. Such physical or mental
13 condition includes, but is not limited to a: chromosomal
14 abnormality; genetic or congenital disorder; severe sensory
15 impairment, including hearing and vision; inborn error of
16 metabolism; disorder reflecting disturbance of the
17 development of the nervous system; congenital infection;
18 disorder secondary to exposure to toxic substances,
19 including fetal alcohol syndrome; and severe attachment
20 disorder;
- 21 • "early intervention services" to mean one or more of the
22 following as described in 34 CFR s.303.12: assistive
23 technology devices and services; audiology; family training
24 and counseling; nursing services; nutritional services;
25 occupational therapy; physical therapy; psychological
26 services; service coordination and case management
27 services; social work services; speech therapy;
28 transportation; and vision services; and
- 29 • "other necessary health services" to mean services as
30 described in 34 CFR s.303.13 that are necessary to enable a
31 child to benefit from early intervention services.

32 The bill takes effect on the 180th day after enactment and applies
33 to policies and contracts issued or renewed on or after the effective
34 date.