

ASSEMBLY, No. 1341

STATE OF NEW JERSEY 213th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2008 SESSION

Sponsored by:

**Assemblyman VINCENT PRIETO
District 32 (Bergen and Hudson)**

Co-Sponsored by:

**Assemblymen Scalera, Conners, Conaway, McKeon, Diegnan, Chivukula,
Albano, Assemblywoman Voss and Assemblyman Giblin**

SYNOPSIS

Requires health benefits coverage for orthotic and prosthetic appliances and provides reimbursement therefor.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel



(Sponsorship Updated As Of: 9/23/2008)

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2

1 AN ACT concerning health benefits coverage for orthotic and
2 prosthetic appliances; providing reimbursement therefor; and
3 supplementing various 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. a. Every hospital service corporation contract that provides
9 hospital or medical expense benefits and is delivered, issued,
10 executed or renewed in this State pursuant to P.L.1938, c.366
11 (C.17:48-1 et seq.), or approved for issuance or renewal in this State
12 by the Commissioner of Banking and Insurance on or after the
13 effective date of this act, shall provide benefits to any person
14 covered thereunder for expenses incurred in obtaining an orthotic or
15 prosthetic appliance from any licensed orthotist or prosthetist, or
16 any certified pedorthist, as determined medically necessary by the
17 covered person's physician.

18 As used in this section, "orthotic appliance," "prosthetic
19 appliance," "licensed orthotist" and "licensed prosthetist" have the
20 meaning assigned to them in section 3 of P.L.1991, c.512
21 (C.45:12B-3) and "certified pedorthist" has the meaning assigned to
22 it in subsection j. of section 18 of P.L.1991, c.512 (C.45:12B-18).

23 b. On and after the effective date of this act, a hospital service
24 corporation contract shall reimburse for orthotic and prosthetic
25 appliances at the same rate as reimbursement for such appliances
26 under the federal Medicare reimbursement schedule.

27 c. The benefits shall be provided to the same extent as for any
28 other medical condition under the contract.

29 d. The provisions of this section shall apply to all hospital
30 service corporation contracts in which the hospital service
31 corporation has reserved the right to change the premium.
32

33 2. a. Every medical service corporation contract that provides
34 hospital or medical expense benefits and is delivered, issued,
35 executed or renewed in this State pursuant to P.L.1940, c.74
36 (C.17:48A-1 et seq.), or approved for issuance or renewal in this
37 State by the Commissioner of Banking and Insurance on or after the
38 effective date of this act, shall provide benefits to any person
39 covered thereunder for expenses incurred in obtaining an orthotic or
40 prosthetic appliance from any licensed orthotist or prosthetist, or
41 any certified pedorthist, as determined medically necessary by the
42 covered person's physician.

43 As used in this section, "orthotic appliance," "prosthetic
44 appliance," "licensed orthotist" and "licensed prosthetist" have the
45 meaning assigned to them in section 3 of P.L.1991, c.512
46 (C.45:12B-3) and "certified pedorthist" has the meaning assigned to
47 it in subsection j. of section 18 of P.L.1991, c.512 (C.45:12B-18).

48 b. On and after the effective date of this act, a medical service

1 corporation contract shall reimburse for orthotic and prosthetic
2 appliances at the same rate as reimbursement for such appliances
3 under the federal Medicare reimbursement schedule.

4 c. The benefits shall be provided to the same extent as for any
5 other medical condition under the contract.

6 d. The provisions of this section shall apply to all medical
7 service corporation contracts in which the medical service
8 corporation has reserved the right to change the premium.

9
10 3. a. Every health service corporation contract that provides
11 hospital or medical expense benefits and is delivered, issued,
12 executed or renewed in this State pursuant to P.L.1985, c.236
13 (C.17:48E-1 et seq.), or approved for issuance or renewal in this
14 State by the Commissioner of Banking and Insurance on or after the
15 effective date of this act, shall provide benefits to any person
16 covered thereunder for expenses incurred in obtaining an orthotic or
17 prosthetic appliance from any licensed orthotist or prosthetist, or
18 any certified pedorthist, as determined medically necessary by the
19 covered person's physician.

20 As used in this section, "orthotic appliance," "prosthetic
21 appliance," "licensed orthotist" and "licensed prosthetist" have the
22 meaning assigned to them in section 3 of P.L.1991, c.512
23 (C.45:12B-3) and "certified pedorthist" has the meaning assigned to
24 it in subsection j. of section 18 of P.L.1991, c.512 (C.45:12B-18).

25 b. On and after the effective date of this act, a health service
26 corporation contract shall reimburse for orthotic and prosthetic
27 appliances at the same rate as reimbursement for such appliances
28 under the federal Medicare reimbursement schedule.

29 c. The benefits shall be provided to the same extent as for any
30 other medical condition under the contract.

31 d. The provisions of this section shall apply to all health service
32 corporation contracts in which the health service corporation has
33 reserved the right to change the premium.

34
35 4. a. Every individual health insurance policy that provides
36 hospital or medical expense benefits and is delivered, issued,
37 executed or renewed in this State pursuant to N.J.S.17B:26-1 et
38 seq., or approved for issuance or renewal in this State by the
39 Commissioner of Banking and Insurance on or after the effective
40 date of this act, shall provide benefits to any person covered
41 thereunder for expenses incurred in obtaining an orthotic or
42 prosthetic appliance from any licensed orthotist or prosthetist, or
43 any certified pedorthist, as determined medically necessary by the
44 covered person's physician.

45 As used in this section, "orthotic appliance," "prosthetic
46 appliance," "licensed orthotist" and "licensed prosthetist" have the
47 meaning assigned to them in section 3 of P.L.1991, c.512
48 (C.45:12B-3) and "certified pedorthist" has the meaning assigned to

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1 it in subsection j. of section 18 of P.L.1991, c.512 (C.45:12B-18).
2 b. On and after the effective date of this act, an individual health
3 insurance policy shall reimburse for orthotic and prosthetic
4 appliances at the same rate as reimbursement for such appliances
5 under the federal Medicare reimbursement schedule.
6 c. The benefits shall be provided to the same extent as for any
7 other medical condition under the policy.
8 d. The provisions of this section shall apply to all individual
9 health insurance policies in which the insurer has reserved the right
10 to change the premium.
11
12 5. a. Every group health insurance policy that provides hospital
13 or medical expense benefits and is delivered, issued, executed or
14 renewed in this State pursuant to N.J.S.17B:27-26 et seq., or
15 approved for issuance or renewal in this State by the Commissioner
16 of Banking and Insurance on or after the effective date of this act,
17 shall provide benefits to any person covered thereunder for
18 expenses incurred in obtaining an orthotic or prosthetic appliance
19 from any licensed orthotist or prosthetist, or any certified
20 pedorthist, as determined medically necessary by the covered
21 person's physician.
22 As used in this section, "orthotic appliance," "prosthetic
23 appliance," "licensed orthotist" and "licensed prosthetist" have the
24 meaning assigned to them in section 3 of P.L.1991, c.512
25 (C.45:12B-3) and "certified pedorthist" has the meaning assigned to
26 it in subsection j. of section 18 of P.L.1991, c.512 (C.45:12B-18).
27 b. On and after the effective date of this act, a group health
28 insurance policy shall reimburse for orthotic and prosthetic
29 appliances at the same rate as reimbursement for such appliances
30 under the federal Medicare reimbursement schedule.
31 c. The benefits shall be provided to the same extent as for any
32 other medical condition under the policy.
33 d. The provisions of this section shall apply to all group health
34 insurance policies in which the insurer has reserved the right to
35 change the premium.
36
37 6. a. Every individual health benefits plan that provides hospital
38 or medical expense benefits and is delivered, issued, executed or
39 renewed in this State pursuant to P.L.1992, c.161 (C.17B:27A-2 et
40 seq.), or approved for issuance or renewal in this State by the
41 Commissioner of Banking and Insurance on or after the effective
42 date of this act, shall provide benefits to any person covered
43 thereunder for expenses incurred in obtaining an orthotic or
44 prosthetic appliance from any licensed orthotist or prosthetist, or
45 any certified pedorthist, as determined medically necessary by the
46 covered person's physician.
47 As used in this section, "orthotic appliance," "prosthetic
48 appliance," "licensed orthotist" and "licensed prosthetist" have the

1 meaning assigned to them in section 3 of P.L.1991, c.512
2 (C.45:12B-3) and "certified pedorthist" has the meaning assigned to
3 it in subsection j. of section 18 of P.L.1991, c.512 (C.45:12B-18).

4 b. On and after the effective date of this act, an individual health
5 benefits plan shall reimburse for orthotic and prosthetic appliances
6 at the same rate as reimbursement for such appliances under the
7 federal Medicare reimbursement schedule.

8 c. The benefits shall be provided to the same extent as for any
9 other medical condition under the health benefits plan.

10 d. The provisions of this section shall apply to all individual
11 health benefits plans in which the carrier has reserved the right to
12 change the premium.

13

14 7. a. Every small employer health benefits plan that provides
15 hospital or medical expense benefits and is delivered, issued,
16 executed or renewed in this State pursuant to P.L.1992, c.162
17 (C.17B:27A-17 et seq.), or approved for issuance or renewal in this
18 State by the Commissioner of Banking and Insurance on or after the
19 effective date of this act, shall provide benefits to any person
20 covered thereunder for expenses incurred in obtaining an orthotic or
21 prosthetic appliance from any licensed orthotist or prosthetist, or
22 any certified pedorthist, as determined medically necessary by the
23 covered person's physician.

24 As used in this section, "orthotic appliance," "prosthetic
25 appliance," "licensed orthotist" and "licensed prosthetist" have the
26 meaning assigned to them in section 3 of P.L.1991, c.512
27 (C.45:12B-3) and "certified pedorthist" has the meaning assigned to
28 it in subsection j. of section 18 of P.L.1991, c.512 (C.45:12B-18).

29 b. On and after the effective date of this act, a small employer
30 health benefits plan shall reimburse for orthotic and prosthetic
31 appliances at the same rate as reimbursement for such appliances
32 under the federal Medicare reimbursement schedule.

33 c. The benefits shall be provided to the same extent as for any
34 other medical condition under the health benefits plan.

35 d. The provisions of this section shall apply to all small
36 employer health benefits plans in which the carrier has reserved the
37 right to change the premium.

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39 8. a. A certificate of authority to establish and operate a health
40 maintenance organization in this State pursuant to P.L.1973, c.337
41 (C.26:2J-1 et seq.) shall not be issued or continued by the
42 Commissioner of Banking and Insurance on or after the effective
43 date of this act unless the health maintenance organization provides
44 health care services for any person covered thereunder for expenses
45 incurred in obtaining an orthotic or prosthetic appliance from any
46 licensed orthotist or prosthetist, or any certified pedorthist, as
47 determined medically necessary by the enrollee's physician.

1 As used in this section, "orthotic appliance," "prosthetic
2 appliance," "licensed orthotist" and "licensed prosthetist" have the
3 meaning assigned to them in section 3 of P.L.1991, c.512
4 (C.45:12B-3) and "certified pedorthist" has the meaning assigned to
5 it in subsection j. of section 18 of P.L.1991, c.512 (C.45:12B-18).

6 b. On and after the effective date of this act, a health
7 maintenance organization shall reimburse for orthotic and prosthetic
8 appliances at the same rate as reimbursement for such appliances
9 under the federal Medicare reimbursement schedule.

10 c. The benefits shall be provided to the same extent as for any
11 other medical condition under the enrollee agreement.

12 d. The provisions of this section shall apply to all enrollee
13 agreements in which the health maintenance organization has
14 reserved the right to change the schedule of charges.

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16 9. This act shall take effect on the 90th day after enactment.

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STATEMENT

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21 This bill requires health insurers, including health, hospital and
22 medical service corporations; commercial individual and group
23 health insurers; health maintenance organizations; and health
24 benefits plans issued pursuant to the New Jersey Individual Health
25 Coverage (IHC) and Small Employer Health Benefits (SEH)
26 Programs to provide health benefits coverage for expenses incurred
27 in obtaining an orthotic or prosthetic appliance from any licensed
28 orthotist or prosthetist, or any certified pedorthist, as determined
29 medically necessary by the covered person's physician. The
30 benefits shall be provided to the same extent as for any other
31 medical condition under the health benefits plan.

32 The bill requires health insurers, on and after the bill's effective
33 date, to reimburse for these benefits at the same rate as
34 reimbursement for orthotic and prosthetic appliances under the
35 federal Medicare reimbursement schedule.