

# ASSEMBLY, No. 1852

## STATE OF NEW JERSEY 213th LEGISLATURE

INTRODUCED JANUARY 24, 2008

**Sponsored by:**

**Assemblyman HERB CONAWAY, JR.**

**District 7 (Burlington and Camden)**

**SYNOPSIS**

Requires insurers, Medicaid, and NJ FamilyCare to reimburse for childhood immunizations at levels specified by regulation.

**CURRENT VERSION OF TEXT**

As introduced.



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2

1 AN ACT concerning third party coverage for childhood  
2 immunizations, amending P.L.1995, c.316 and supplementing  
3 Title 30 of the Revised Statutes.

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

7  
8 1. Section 7 of P.L.1995, c.316 (C.26:2-137.1) is amended to  
9 read as follows:

10 7. The **[Department]** Commissioner of Health and Senior  
11 Services shall specify by regulation, pursuant to the "Administrative  
12 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.):

13 a. **[The]** the lead screening provided for under P.L.1995, c.316  
14 (C.17:48E-35.10 et al.), including the age of the child when initial  
15 screening should be conducted, the time intervals between  
16 screening, when follow-up testing is required, the methods that  
17 shall be used to conduct the lead screening, and the level of lead in  
18 the bloodstream that shall be considered to be "lead poisoning";  
19 **[and]**

20 b. **[The]** the childhood and adolescent immunizations  
21 recommended by the Advisory Committee on Immunization  
22 Practices of the United States Public Health Service and the  
23 Department of Health and Senior Services; and

24 c. in consultation with the Commissioner of Banking and  
25 Insurance:

26 (1) the minimum level at which an insurance company, health  
27 service corporation, hospital service corporation, medical service  
28 corporation, or health maintenance organization shall reimburse a  
29 health care provider for childhood immunizations provided for  
30 under P.L.1995, c.316 (C.17:48E-35.10 et al.), which shall:

31 (a) reflect the reasonable costs to a health care provider as  
32 determined by the Commissioner of Health and Senior Services of  
33 acquiring, maintaining, and administering the childhood  
34 immunizations;

35 (b) be determined by the Commissioner of Health and Senior  
36 Services after consultation with appropriate entities, including, but  
37 not limited to, the Medical Society of New Jersey, the American  
38 Academy of Pediatrics - New Jersey Chapter, and the New Jersey  
39 Academy of Family Physicians; and

40 (c) be periodically updated as determined appropriate by the  
41 Commissioner of Health and Senior Services;

42 (2) a civil penalty to which a health insurer as specified in  
43 paragraph (1) of this subsection that fails to comply with the  
44 requirements adopted by regulation pursuant to that paragraph shall

**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 be liable, which shall not exceed \$1,000 for the first violation,  
2 \$5,000 for the second violation, and \$10,000 for the third and each  
3 subsequent violation, and shall be collected by the Commissioner of  
4 Health and Senior Services or the Commissioner of Banking and  
5 Insurance in the name of the State in a summary proceeding in  
6 accordance with the "Penalty Enforcement Law of 1999," P.L.1999,  
7 c.274 (C.2A:58-10 et seq.); and

8 (3) a form and manner by which a health care provider that  
9 administers childhood immunizations provided for under P.L.1995,  
10 c.316 (C.17:48E-35.10 et al.) may register a complaint concerning  
11 reimbursement for childhood immunizations by a health insurer as  
12 specified in paragraph (1) of this subsection that is not in  
13 compliance with requirements established by regulation pursuant to  
14 paragraph (1) of this subsection.

15 (cf: P.L.1995, c.316, s.7)

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17 2. (New section) The Commissioner of Human Services shall  
18 specify by regulation, pursuant to the "Administrative Procedure  
19 Act," P.L.1968, c.410 (C.52:14B-1 et seq.) and in consultation with  
20 the Commissioners of Health and Senior Services and Banking and  
21 Insurance:

22 a. the minimum level at which a health maintenance  
23 organization authorized to operate in this State, which contracts  
24 with the Department of Human Services for the provision of health  
25 care services to persons enrolled in the Medicaid program  
26 established pursuant to P.L.1968, c.413 (C.30:4D-1 et seq.) and the  
27 NJ FamilyCare Program established pursuant to P.L.2005, c.156  
28 (C.30:4J-8 et seq.), shall reimburse a health care provider for  
29 childhood immunizations provided for under P.L.1995, c.316  
30 (C.17:48E-35.10 et al.), which shall:

31 (1) reflect the reasonable costs to a health care provider as  
32 determined by the Commissioner of Human Services of acquiring,  
33 maintaining, and administering the childhood immunizations;

34 (2) be determined by the Commissioner of Human Services after  
35 consultation with appropriate entities, including, but not limited to,  
36 the Medical Society of New Jersey, the American Academy of  
37 Pediatrics - New Jersey Chapter, and the New Jersey Academy of  
38 Family Physicians; and

39 (3) be periodically updated as determined appropriate by the  
40 Commissioner of Human Services;

41 b. a civil penalty to which a health maintenance organization as  
42 specified in subsection a. of this section that fails to comply with  
43 the requirements adopted by regulation pursuant to that subsection  
44 shall be liable, which shall not exceed \$1,000 for the first violation,  
45 \$5,000 for the second violation, and \$10,000 for the third and each  
46 subsequent violation, and shall be collected by the Commissioner of  
47 Human Services in the name of the State in a summary proceeding

1 in accordance with the "Penalty Enforcement Law of 1999,"  
2 P.L.1999, c.274 (C.2A:58-10 et seq.); and

3 c. a form and manner by which a health care provider that  
4 administers childhood immunizations provided for under P.L.1995,  
5 c.316 (C.17:48E-35.10 et al.) may register a complaint concerning  
6 reimbursement for childhood immunizations by a health  
7 maintenance organization as specified in subsection a. of this  
8 section that is not in compliance with requirements established by  
9 regulation pursuant to subsection a. of this section.

10

11 3. This act shall take effect on the 180th day from the date of  
12 enactment, but the Commissioners of Health and Senior Services,  
13 Banking and Insurance, and Human Services may take such  
14 anticipatory administrative action in advance thereof as shall be  
15 necessary for the implementation of this act.

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STATEMENT

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20 This bill amends P.L.1995, c.316 (C.17:48E-35.10 et al.), the  
21 statute that requires health insurers to cover all childhood  
22 immunizations as recommended by the Advisory Committee on  
23 Immunization Practices of the United States Public Health Service  
24 and the Department of Health and Senior Services, to ensure  
25 appropriate reimbursement to health care providers that adequately  
26 covers their costs incurred in providing these immunizations, which  
27 are critical to the health of New Jersey children.

28 The bill directs the Commissioner of Health and Senior Services,  
29 in consultation with the Commissioner of Banking and Insurance, to  
30 specify by regulation:

31 • the minimum level at which a health insurer is to reimburse a  
32 health care provider for childhood immunizations provided for  
33 under P.L.1995, c.316, which is to:

34 -- reflect the reasonable costs to a health care provider as  
35 determined by the Commissioner of Health and Senior Services of  
36 acquiring, maintaining, and administering the childhood  
37 immunizations;

38 -- be determined by the Commissioner of Health and Senior  
39 Services after consultation with appropriate entities, including, but  
40 not limited to, the Medical Society of New Jersey, the American  
41 Academy of Pediatrics - New Jersey Chapter, and the New Jersey  
42 Academy of Family Physicians; and

43 -- be periodically updated as determined appropriate by the  
44 Commissioner of Health and Senior Services;

45 • a civil penalty to which a health insurer that fails to comply with  
46 the requirements adopted by regulation pursuant to this bill is to  
47 be liable, which will not exceed \$1,000 for the first violation,  
48 \$5,000 for the second violation, and \$10,000 for the third and

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1 each subsequent violation, and is to be collected by the  
2 Commissioner of Health and Senior Services or the  
3 Commissioner of Banking and Insurance in the name of the State  
4 in a summary proceeding in accordance with the "Penalty  
5 Enforcement Law of 1999"; and

6 • a form and manner by which a health care provider that  
7 administers childhood immunizations provided for under  
8 P.L.1995, c.316 may register a complaint concerning  
9 reimbursement for childhood immunizations by a health insurer  
10 that is not in compliance with requirements established by  
11 regulation pursuant to this bill.

12 The bill also mandates that HMOs participating in Medicaid and  
13 NJ FamilyCare reimburse health care providers who administer  
14 childhood immunizations at a level specified by regulation of the  
15 Commissioner of Human Services in a manner such as that  
16 provided for other health insurers under the bill and provides the  
17 same civil penalties for noncompliance.

18 The bill takes effect on the 180th day after enactment, but  
19 authorizes the Commissioners of Health and Senior Services,  
20 Banking and Insurance, and Human Services to take anticipatory  
21 administrative action in advance as necessary for its  
22 implementation.