

ASSEMBLY, No. 2073

STATE OF NEW JERSEY 213th LEGISLATURE

INTRODUCED FEBRUARY 7, 2008

Sponsored by:

Assemblyman JOHN F. MCKEON

District 27 (Essex)

SYNOPSIS

Requires health insurers and State Health Benefits Commission to provide coverage for posttraumatic stress disorder under same conditions as other sickness.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning health insurance benefits for posttraumatic
2 stress disorder and amending P.L.1999, c.106, P.L.1961, c.49
3 and P.L.1999, c.441.

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

7
8 1. Section 1 of P.L.1999, c.106 (C.17:48-6v) is amended to read
9 as follows:

10 1. a. Every individual and group hospital service corporation
11 contract that provides hospital or medical expense benefits and is
12 delivered, issued, executed or renewed in this State pursuant to
13 P.L.1938, c.366 (C.17:48-1 et seq.), or approved for issuance or
14 renewal in this State by the Commissioner of Banking and
15 Insurance, on or after the effective date of this act shall provide
16 coverage for biologically-based mental illness and posttraumatic
17 stress disorder under the same terms and conditions as provided for
18 any other sickness under the contract.

19 "Biologically-based mental illness" means a mental or nervous
20 condition that is caused by a biological disorder of the brain and
21 results in a clinically significant or psychological syndrome or
22 pattern that substantially limits the functioning of the person with
23 the illness, including but not limited to, schizophrenia,
24 schizoaffective disorder, major depressive disorder, bipolar
25 disorder, paranoia and other psychotic disorders, obsessive-
26 compulsive disorder, panic disorder and pervasive developmental
27 disorder or autism.

28 "Posttraumatic stress disorder" means the anxiety disorder
29 described in the most recent edition of the Diagnostic and Statistical
30 Manual of Mental Disorders.

31 "Same terms and conditions" means that the hospital service
32 corporation cannot apply different copayments, deductibles or
33 benefit limits to biologically-based mental **[health]**illness or
34 posttraumatic stress disorder benefits than those applied to other
35 medical or surgical benefits.

36 b. Nothing in this section shall be construed to change the
37 manner in which a hospital service corporation determines:

38 (1) whether a mental health care service meets the medical
39 necessity standard as established by the hospital service
40 corporation; or

41 (2) which providers shall be entitled to reimbursement for
42 providing services for mental illness or posttraumatic stress disorder
43 under the contract.

44 c. The provisions of this section shall apply to all contracts in

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 which the hospital service corporation has reserved the right to
2 change the premium.

3 (cf: P.L.1999, c.106, s.1)

4

5 2. Section 2 of P.L.1999, c.106 (C.17:48A-7u) is amended to
6 read as follows:

7 2. a. Every individual and group medical service corporation
8 contract that provides hospital or medical expense benefits that is
9 delivered, issued, executed or renewed in this State pursuant to
10 P.L.1940, c.74 (C.17:48A-1 et seq.), or approved for issuance or
11 renewal in this State by the Commissioner of Banking and
12 Insurance, on or after the effective date of this act shall provide
13 coverage for biologically-based mental illness and posttraumatic
14 stress disorder under the same terms and conditions as provided for
15 any other sickness under the contract.

16 "Biologically-based mental illness" means a mental or nervous
17 condition that is caused by a biological disorder of the brain and
18 results in a clinically significant or psychological syndrome or
19 pattern that substantially limits the functioning of the person with
20 the illness, including but not limited to, schizophrenia,
21 schizoaffective disorder, major depressive disorder, bipolar
22 disorder, paranoia and other psychotic disorders, obsessive-
23 compulsive disorder, panic disorder and pervasive developmental
24 disorder or autism.

25 "Posttraumatic stress disorder" means the anxiety disorder
26 described in the most recent edition of the Diagnostic and Statistical
27 Manual of Mental Disorders.

28 "Same terms and conditions" means that the medical service
29 corporation cannot apply different copayments, deductibles or
30 benefit limits to biologically-based mental **[health]** illness or
31 posttraumatic stress disorder benefits than those applied to other
32 medical or surgical benefits.

33 b. Nothing in this section shall be construed to change the
34 manner in which a medical service corporation determines:

35 (1) whether a mental health care service meets the medical
36 necessity standard as established by the medical service
37 corporation; or

38 (2) which providers shall be entitled to reimbursement for
39 providing services for mental illness or posttraumatic distress order
40 under the contract.

41 c. The provisions of this section shall apply to all contracts in
42 which the medical service corporation has reserved the right to
43 change the premium.

44 (cf: P.L.1999, c.106, s.2)

45

46 3. Section 3 of P.L.1999, c.106 (C.17:48E-35.20) is amended to
47 read as follows:

48 3. a. Every individual and group health service corporation

1 contract that provides hospital or medical expense benefits and is
2 delivered, issued, executed or renewed in this State pursuant to
3 P.L.1985, c.236 (C.17:48E-1 et seq.), or approved for issuance or
4 renewal in this State by the Commissioner of Banking and
5 Insurance, on or after the effective date of this act shall provide
6 coverage for biologically-based mental illness and posttraumatic
7 stress disorder under the same terms and conditions as provided for
8 any other sickness under the contract.

9 "Biologically-based mental illness" means a mental or nervous
10 condition that is caused by a biological disorder of the brain and
11 results in a clinically significant or psychological syndrome or
12 pattern that substantially limits the functioning of the person with
13 the illness, including but not limited to, schizophrenia,
14 schizoaffective disorder, major depressive disorder, bipolar
15 disorder, paranoia and other psychotic disorders, obsessive-
16 compulsive disorder, panic disorder and pervasive developmental
17 disorder or autism.

18 "Posttraumatic stress disorder" means the anxiety disorder
19 described in the most recent edition of the Diagnostic and Statistical
20 Manual of Mental Disorders.

21 "Same terms and conditions" means that the health service
22 corporation cannot apply different copayments, deductibles or
23 benefit limits to biologically-based mental [health] illness or
24 posttraumatic stress disorder benefits than those applied to other
25 medical or surgical benefits.

26 b. Nothing in this section shall be construed to change the
27 manner in which the health service corporation determines:

28 (1) whether a mental health care service meets the medical
29 necessity standard as established by the health service corporation;
30 or

31 (2) which providers shall be entitled to reimbursement for
32 providing services for mental illness or posttraumatic stress disorder
33 under the contract.

34 c. The provisions of this section shall apply to all contracts in
35 which the health service corporation has reserved the right to
36 change the premium.

37 (cf: P.L.1999, c.106, s.3)

38

39 4. Section 4 of P.L.1999, c.106 (C.17B:26-2.1s) is amended to
40 read as follows:

41 4. a. Every individual health insurance policy that provides
42 hospital or medical expense benefits and is delivered, issued,
43 executed or renewed in this State pursuant to chapter 26 of Title
44 17B of the New Jersey Statutes, or approved for issuance or renewal
45 in this State by the Commissioner of Banking and Insurance, on or
46 after the effective date of this act shall provide coverage for
47 biologically-based mental illness and posttraumatic stress disorder
48 under the same terms and conditions as provided for any other

1 sickness under the contract. "Biologically-based mental illness"
2 means a mental or nervous condition that is caused by a biological
3 disorder of the brain and results in a clinically significant or
4 psychological syndrome or pattern that substantially limits the
5 functioning of the person with the illness, including but not limited
6 to, schizophrenia, schizoaffective disorder, major depressive
7 disorder, bipolar disorder, paranoia and other psychotic disorders,
8 obsessive-compulsive disorder, panic disorder and pervasive
9 developmental disorder or autism.

10 "Posttraumatic stress disorder" means the anxiety disorder
11 described in the most recent edition of the Diagnostic and Statistical
12 Manual of Mental Disorders.

13 "Same terms and conditions" means that the insurer cannot apply
14 different copayments, deductibles or benefit limits to biologically-
15 based mental **[health]** illness or posttraumatic stress disorder
16 benefits than those applied to other medical or surgical benefits.

17 b. Nothing in this section shall be construed to change the
18 manner in which the insurer determines:

19 (1) whether a mental health care service meets the medical
20 necessity standard as established by the insurer; or

21 (2) which providers shall be entitled to reimbursement for
22 providing services for mental illness or posttraumatic stress disorder
23 under the policy.

24 c. The provisions of this section shall apply to all policies in
25 which the insurer has reserved the right to change the premium.

26 (cf: P.L.1999, c.106, s.4)

27

28 5. Section 5 of P.L.1999, c.106 (C.17B:27-46.1v) is amended to
29 read as follows:

30 5. a. Every group health insurance policy that provides hospital
31 or medical expense benefits and is delivered, issued, executed or
32 renewed in this State pursuant to chapter 27 of Title 17B of the New
33 Jersey Statutes, or approved for issuance or renewal in this State by
34 the Commissioner of Banking and Insurance, on or after the
35 effective date of this act shall provide benefits for biologically-
36 based mental illness and posttraumatic stress disorder under the
37 same terms and conditions as provided for any other sickness under
38 the policy.

39 "Biologically-based mental illness" means a mental or nervous
40 condition that is caused by a biological disorder of the brain and
41 results in a clinically significant or psychological syndrome or
42 pattern that substantially limits the functioning of the person with
43 the illness, including but not limited to, schizophrenia,
44 schizoaffective disorder, major depressive disorder, bipolar
45 disorder, paranoia and other psychotic disorders, obsessive-
46 compulsive disorder, panic disorder and pervasive developmental
47 disorder or autism.

48 "Posttraumatic stress disorder" means the anxiety disorder

1 described in the most recent edition of the Diagnostic and Statistical
2 Manual of Mental Disorders.

3 "Same terms and conditions" means that the insurer cannot apply
4 different copayments, deductibles or benefit limits to biologically-
5 based mental **[health]** illness or posttraumatic stress disorder
6 benefits than those applied to other medical or surgical benefits.

7 b. Nothing in this section shall be construed to change the
8 manner in which the insurer determines:

9 (1) whether a mental health care service meets the medical
10 necessity standard as established by the insurer; or

11 (2) which providers shall be entitled to reimbursement for
12 providing services for mental illness or posttraumatic stress disorder
13 under the policy.

14 c. The provisions of this section shall apply to all policies in
15 which the insurer has reserved the right to change the premium.

16 (cf: P.L.1999, c.106, s.5)

17

18 6. Section 6 of P.L.1999, c.106 (C.17B:27A-7.5) is amended to
19 read as follows:

20 6. a. Every individual health benefits plan that provides hospital
21 or medical expense benefits and is delivered, issued, executed or
22 renewed in this State pursuant to P.L.1992, c.161 (C.17B:27A-2 et
23 seq.) or approved for issuance or renewal in this State on or after
24 the effective date of this act shall provide benefits for biologically-
25 based mental illness and posttraumatic stress disorder under the
26 same terms and conditions as provided for any other sickness under
27 the health benefits plan.

28 "Biologically-based mental illness" means a mental or nervous
29 condition that is caused by a biological disorder of the brain and
30 results in a clinically significant or psychological syndrome or
31 pattern that substantially limits the functioning of the person with
32 the illness, including but not limited to, schizophrenia,
33 schizoaffective disorder, major depressive disorder, bipolar
34 disorder, paranoia and other psychotic disorders, obsessive-
35 compulsive disorder, panic disorder and pervasive developmental
36 disorder or autism.

37 "Posttraumatic stress disorder" means the anxiety disorder
38 described in the most recent edition of the Diagnostic and Statistical
39 Manual of Mental Disorders.

40 "Same terms and conditions" means that the plan cannot apply
41 different copayments, deductibles or benefit limits to biologically-
42 based mental **[health]** illness or posttraumatic stress disorder
43 benefits than those applied to other medical or surgical benefits.

44 b. Nothing in this section shall be construed to change the
45 manner in which the carrier determines:

46 (1) whether a mental health care service meets the medical
47 necessity standard as established by the carrier; or

48 (2) which providers shall be entitled to reimbursement for

1 providing services for mental illness or posttraumatic stress disorder
2 under the plan.

3 c. The provisions of this section shall apply to all health benefits
4 plans in which the carrier has reserved the right to change the
5 premium.

6 (cf: P.L.1999, c.106, s.6)

7

8 7. Section 7 of P.L.1999, c.106 (C.17B:27A-19.7) is amended to
9 read as follows:

10 7. a. Every small employer health benefits plan that provides
11 hospital or medical expense benefits and is delivered, issued,
12 executed or renewed in this State pursuant to P.L.1992, c.162
13 (C.17B:27A-17 et seq.) or approved for issuance or renewal in this
14 State on or after the effective date of this act shall provide benefits
15 for biologically-based mental illness and posttraumatic stress
16 disorder under the same terms and conditions as provided for any
17 other sickness under the health benefits plan.

18 "Biologically-based mental illness" means a mental or nervous
19 condition that is caused by a biological disorder of the brain and
20 results in a clinically significant or psychological syndrome or
21 pattern that substantially limits the functioning of the person with
22 the illness, including but not limited to, schizophrenia,
23 schizoaffective disorder, major depressive disorder, bipolar
24 disorder, paranoia and other psychotic disorders, obsessive-
25 compulsive disorder, panic disorder and pervasive developmental
26 disorder or autism.

27 "Posttraumatic stress disorder" means the anxiety disorder
28 described in the most recent edition of the Diagnostic and Statistical
29 Manual of Mental Disorders.

30 "Same terms and conditions" means that the plan cannot apply
31 different copayments, deductibles or benefit limits to biologically-
32 based mental **[health]** illness or posttraumatic stress disorder
33 benefits than those applied to other medical or surgical benefits.

34 b. Nothing in this section shall be construed to change the
35 manner in which the carrier determines:

36 (1) whether a mental health care service meets the medical
37 necessity standard as established by the carrier; or

38 (2) which providers shall be entitled to reimbursement for
39 providing services for mental illness or posttraumatic stress disorder
40 under the health benefits plan.

41 c. The provisions of this section shall apply to all health benefits
42 plans in which the carrier has reserved the right to change the
43 premium.

44 (cf: P.L.1999, c.106, s.7)

45

46 8. Section 8 of P.L.1999, c.106 (C.26:2J-4.20) is amended to
47 read as follows:

48 8. a. Every enrollee agreement delivered, issued, executed or

1 renewed in this State pursuant to P.L.1973, c.337 (C.26:2J-1 et seq.)
2 or approved for issuance or renewal in this State by the
3 Commissioner of Health and Senior Services, on or after the
4 effective date of this act shall provide health care services for
5 biologically-based mental illness and posttraumatic stress disorder
6 under the same terms and conditions as provided for any other
7 sickness under the agreement.

8 "Biologically-based mental illness" means a mental or nervous
9 condition that is caused by a biological disorder of the brain and
10 results in a clinically significant or psychological syndrome or
11 pattern that substantially limits the functioning of the person with
12 the illness, including but not limited to, schizophrenia,
13 schizoaffective disorder, major depressive disorder, bipolar
14 disorder, paranoia and other psychotic disorders, obsessive-
15 compulsive disorder, panic disorder and pervasive developmental
16 disorder or autism.

17 "Posttraumatic stress disorder" means the anxiety disorder
18 described in the most recent edition of the Diagnostic and Statistical
19 Manual of Mental Disorders.

20 "Same terms and conditions" means that the health maintenance
21 organization cannot apply different copayments, deductibles or
22 health care services limits to biologically-based mental
23 health illness or posttraumatic stress disorder care services than
24 those applied to other medical or surgical health care services.

25 b. Nothing in this section shall be construed to change the
26 manner in which a health maintenance organization determines:

27 (1) whether a mental health care service meets the medical
28 necessity standard as established by the health maintenance
29 organization; or

30 (2) which providers shall be entitled to reimbursement or to be
31 participating providers, as appropriate, for health care services for
32 mental health services illness or posttraumatic stress disorder
33 under the enrollee agreement.

34 c. The provisions of this section shall apply to enrollee
35 agreements in which the health maintenance organization has
36 reserved the right to change the premium.

37 (cf: P.L.1999, c.106, s.8)

38

39 9. Section 9 of P.L.1999, c.106 (C.34:11A-15) is amended to
40 read as follows:

41 9. An employer in this State who provides health benefits
42 coverage to his employees or their dependents for treatment of
43 biologically-based mental illness or posttraumatic stress disorder
44 shall annually, and upon request of an employee at other times
45 during the year, notify his employees whether the employees'
46 coverage for treatment of biologically-based mental illness or

1 posttraumatic stress disorder is subject to the requirements of this
2 act.

3 (cf: P.L.1999, c.106, s.9)

4

5 10. Section 5 of P.L.1961, c.49 (C.52:14-17.29) is amended to
6 read as follows:

7 5. ~~[(A)]~~a. The contract or contracts purchased by the
8 commission pursuant to section 4 shall provide separate coverages
9 or policies as follows:

10 (1) Basic benefits which shall include:

11 (a) Hospital benefits, including outpatient;

12 (b) Surgical benefits;

13 (c) Inpatient medical benefits;

14 (d) Obstetrical benefits; and

15 (e) Services rendered by an extended care facility or by a home
16 health agency and for specified medical care visits by a physician
17 during an eligible period of such services, without regard to
18 whether the patient has been hospitalized, to the extent and subject
19 to the conditions and limitations agreed to by the commission and
20 the carrier or carriers.

21 Basic benefits shall be substantially equivalent to those available
22 on a group remittance basis to employees of the State and their
23 dependents under the subscription contracts of the New Jersey
24 "Blue Cross" and "Blue Shield" Plans. Such basic benefits shall
25 include benefits for:

26 (i) Additional days of inpatient medical service;

27 (ii) Surgery elsewhere than in a hospital;

28 (iii) X-ray, radioactive isotope therapy and pathology services;

29 (iv) Physical therapy services;

30 (v) Radium or radon therapy services;

31 and the extended basic benefits shall be subject to the same
32 conditions and limitations, applicable to such benefits, as are set
33 forth in "Extended Outpatient Hospital Benefits Rider," Form 1500,
34 71(9-66), and in "Extended Benefit Rider" (as amended), Form MS
35 7050J(9-66) issued by the New Jersey "Blue Cross" and "Blue
36 Shield" Plans, respectively, and as the same may be amended or
37 superseded, subject to filing by the Commissioner of Banking and
38 Insurance; and

39 (2) Major medical expense benefits which shall provide benefit
40 payments for reasonable and necessary eligible medical expenses
41 for hospitalization, surgery, medical treatment and other related
42 services and supplies to the extent they are not covered by basic
43 benefits. The commission may, by regulation, determine what types
44 of services and supplies shall be included as "eligible medical
45 services" under the major medical expense benefits coverage as
46 well as those which shall be excluded from or limited under such
47 coverage. Benefit payments for major medical expense benefits
48 shall be equal to a percentage of the reasonable charges for eligible

1 medical services incurred by a covered employee or an employee's
2 covered dependent, during a calendar year as exceed a deductible
3 for such calendar year of \$100.00 subject to the maximums
4 hereinafter provided and to the other terms and conditions
5 authorized by this act. The percentage shall be 80% of the first
6 \$2,000.00 of charges for eligible medical services incurred
7 subsequent to satisfaction of the deductible and 100% thereafter.
8 There shall be a separate deductible for each calendar year for (a)
9 each enrolled employee and (b) all enrolled dependents of such
10 employee. Not more than \$1,000,000.00 shall be paid for major
11 medical expense benefits with respect to any one person for the
12 entire period of such person's coverage under the plan, whether
13 continuous or interrupted except that this maximum may be
14 reapplied to a covered person in amounts not to exceed \$2,000.00 a
15 year. Maximums of \$10,000.00 per calendar year and \$20,000.00
16 for the entire period of the person's coverage under the plan shall
17 apply to eligible expenses incurred because of mental illness or
18 functional nervous disorders, and such may be reapplied to a
19 covered person, except as provided in P.L.1999, c.441 (C.52:14-
20 17.29d et al.) and P.L. , c. (C.)(pending before the
21 Legislature as this bill). The same provisions shall apply for retired
22 employees and their dependents. Under the conditions agreed upon
23 by the commission and the carriers as set forth in the contract, the
24 deductible for a calendar year may be satisfied in whole or in part
25 by eligible charges incurred during the last three months of the prior
26 calendar year.

27 Any service determined by regulation of the commission to be an
28 "eligible medical service" under the major medical expense benefits
29 coverage which is performed by a duly licensed practicing
30 psychologist within the lawful scope of his practice shall be
31 recognized for reimbursement under the same conditions as would
32 apply were such service performed by a physician.

33 **[(B)]b.** Benefits under the contract or contracts purchased as
34 authorized by this act may be subject to such limitations,
35 exclusions, or waiting periods as the commission finds to be
36 necessary or desirable to avoid inequity, unnecessary utilization,
37 duplication of services or benefits otherwise available, including
38 coverage afforded under the laws of the United States, such as the
39 federal Medicare program, or for other reasons.

40 Benefits under the contract or contracts purchased as authorized
41 by this act shall include those for the treatment of alcoholism where
42 such treatment is prescribed by a physician and shall also include
43 treatment while confined in or as an outpatient of a licensed
44 hospital or residential treatment program which meets minimum
45 standards of care equivalent to those prescribed by the Joint
46 Commission on Hospital Accreditation. No benefits shall be
47 provided beyond those stipulated in the contracts held by the State
48 Health Benefits Commission.

1 **[(C)]c.** The rates charged for any contract purchased under the
2 authority of this act shall reasonably and equitably reflect the cost
3 of the benefits provided based on principles which in the judgment
4 of the commission are actuarially sound. The rates charged shall be
5 determined by the carrier on accepted group rating principles with
6 due regard to the experience, both past and contemplated, under the
7 contract. The commission shall have the right to particularize
8 subgroups for experience purposes and rates. No increase in rates
9 shall be retroactive.

10 **[(D)]d.** The initial term of any contract purchased by the
11 commission under the authority of this act shall be for such period
12 to which the commission and the carrier may agree, but permission
13 may be made for automatic renewal in the absence of notice of
14 termination by the commission. Subsequent terms for which any
15 contract may be renewed as herein provided shall each be limited to
16 a period not to exceed one year.

17 **[(E)]e.** The contract shall contain a provision that if basic
18 benefits or major medical expense benefits of an employee or of an
19 eligible dependent under the contract, after having been in effect for
20 at least one month in the case of basic benefits or at least three
21 months in the case of major medical expense benefits, is terminated,
22 other than by voluntary cancellation of enrollment, there shall be a
23 31-day period following the effective date of termination during
24 which such employee or dependent may exercise the option to
25 convert, without evidence of good health, to converted coverage
26 issued by the carriers on a direct payment basis. Such converted
27 coverage shall include benefits of the type classified as "basic
28 benefits" or "major medical expense benefits" in subsection (A)
29 hereof and shall be equivalent to the benefits which had been
30 provided when the person was covered as an employee. The
31 provision shall further stipulate that the employee or dependent
32 exercising the option to convert shall pay the full periodic charges
33 for the converted coverage which shall be subject to such terms and
34 conditions as are normally prescribed by the carrier for this type of
35 coverage.

36 **[(F)]f.** The commission may purchase a contract or contracts to
37 provide drug prescription and other health care benefits or authorize
38 the purchase of a contract or contracts to provide drug prescription
39 and other health care benefits as may be required to implement a
40 duly executed collective negotiations agreement or as may be
41 required to implement a determination by a public employer to
42 provide such benefit or benefits to employees not included in
43 collective negotiations units.
44 (cf: P.L.1999, c.441, s.3)

45

46 11. Section 1 of P.L.1999, c.441 (C.52:14-17.29d) is amended
47 to read as follows:

48 1. As used in this act:

1 "Biologically-based mental illness" means a mental or nervous
2 condition that is caused by a biological disorder of the brain and
3 results in a clinically significant or psychological syndrome or
4 pattern that substantially limits the functioning of the person with
5 the illness including, but not limited to, schizophrenia,
6 schizoaffective disorder, major depressive disorder, bipolar
7 disorder, paranoia and other psychotic disorders, obsessive-
8 compulsive disorder, panic disorder and pervasive developmental
9 disorder or autism.

10 "Carrier" means an insurance company, health service
11 corporation, hospital service corporation, medical service
12 corporation or health maintenance organization authorized to issue
13 health benefits plans in this State.

14 "Posttraumatic stress disorder" means the anxiety disorder
15 described in the most recent edition of the Diagnostic and Statistical
16 Manual of Mental Disorders.

17 "Same terms and conditions" means that a carrier cannot apply
18 different copayments, deductibles or benefit limits to biologically-
19 based mental **[health]** illness or posttraumatic stress disorder
20 benefits than those applied to other medical or surgical benefits.

21 (cf: P.L.1999, c.441, s.1)

22

23 12. Section 2 of P.L.1999, c.441 (C.52:14-17.29e) is amended to
24 read as follows:

25 2. a. The State Health Benefits Commission shall ensure that
26 every contract purchased by the commission on or after the
27 effective date of this act that provides hospital or medical expense
28 benefits shall provide coverage for biologically-based mental illness
29 and posttraumatic stress disorder under the same terms and
30 conditions as provided for any other sickness under the contract.

31 b. Nothing in this section shall be construed to change the
32 manner in which a carrier determines:

33 (1) whether a mental health care service meets the medical
34 necessity standard as established by the carrier; or

35 (2) which providers shall be entitled to reimbursement for
36 providing services for mental illness or posttraumatic stress disorder
37 under the contract.

38 c. The commission shall provide notice to employees regarding
39 the coverage required by this section in accordance with this
40 subsection and regulations promulgated by the Commissioner of
41 Health and Senior Services pursuant to the "Administrative
42 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.). The notice
43 shall be in writing and prominently positioned in any literature or
44 correspondence and shall be transmitted at the earliest of: (1) the
45 next mailing to the employee; (2) the yearly informational packet
46 sent to the employee; or (3) July 1, 2000. The commission shall
47 also ensure that the carrier under contract with the commission,
48 upon receipt of information that a covered person is receiving

1 treatment for a biologically-based mental illness or posttraumatic
2 stress disorder, shall promptly notify that person of the coverage
3 required by this section.

4 (cf: P.L.1999, c.441, s.2)

5

6 13. This act shall take effect 90 days after enactment and shall
7 apply to policies or contracts issued or renewed on or after the
8 effective date.

9

10

11

STATEMENT

12

13 This bill amends the laws requiring parity in mental health
14 insurance benefits for biologically-based mental illness to also
15 include parity for benefits for posttraumatic stress disorder (PTSD).
16 Specifically, the bill requires hospital, medical and health service
17 corporations, commercial individual and group health insurers,
18 health maintenance organizations, and health benefits plans issued
19 pursuant to the New Jersey Individual Health Coverage and Small
20 Employer Health Benefits Programs, as well as the State Health
21 Benefits Commission, to provide health benefits coverage for PTSD
22 under the same terms and conditions as provided for any other
23 sickness.

24 PTSD is defined in the bill as an anxiety disorder described in
25 the most recent edition of the Diagnostic and Statistical Manual of
26 Mental Disorders. The essential feature of PTSD is the
27 development of characteristic symptoms following exposure to an
28 extreme traumatic stressor involving direct personal experience of
29 an event that involves actual or threatened death or serious injury,
30 or other threat to one's physical integrity; or witnessing an event
31 that involves death, injury or a threat to the physical integrity of
32 another person; or learning about unexpected or violent death,
33 serious harm or threat of death or injury experienced by a family
34 member or other close associate. The person's response to the event
35 must involve intense fear, helplessness or horror (or, in children, the
36 response must involve disorganized or agitated behavior). The
37 characteristic symptoms resulting from the exposure to the extreme
38 trauma include persistent reexperiencing of the traumatic event,
39 persistent avoidance of stimuli associated with the trauma and
40 numbing of general responsiveness, and persistent symptoms of
41 increased arousal. The full symptom picture must be present for
42 more than one month, and the disturbance must cause clinically
43 significant distress or impairment in social, occupational or other
44 important areas of functioning.

45 The recent destruction of the World Trade Center and crashes of

A2073 MCKEON

14

- 1 hijacked aircraft are likely to increase the incidence of PTSD in the
- 2 State. The provisions of this bill will ensure that witnesses and
- 3 family members are able to access needed treatment for PTSD.