Sponsored by:
Senator SHIRLEY K. TURNER
District 15 (Hunterdon and Mercer)

SYNOPSIS
Requires health insurance coverage for contraceptives to include prescriptions for 12 months.

CURRENT VERSION OF TEXT
Introduced Pending Technical Review by Legislative Counsel.
AN ACT concerning insurance coverage for prescribed contraceptives and amending P.L.2005, c.251.

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

1. Section 1 of P.L.2005, c.251 (C.17:48-6ee) is amended to read as follows:

1. A hospital service corporation that provides hospital or medical expense benefits for expenses incurred in the purchase of outpatient prescription drugs under a contract shall provide coverage under every such contract delivered, issued, executed or renewed in this State or approved for issuance or renewal in this State by the Commissioner of Banking and Insurance, on or after the effective date of this act, for expenses incurred in the purchase of prescription female contraceptives. For the purposes of this section, "prescription female contraceptives" means any drug or device used for contraception by a female, which is approved by the federal Food and Drug Administration for that purpose, that can only be purchased in this State with a prescription written by a health care professional licensed or authorized to write prescriptions, and includes, but is not limited to, birth control pills and diaphragms. The coverage provided shall include prescriptions for dispensing contraceptives for:

a. a three-month period for the first dispensing of the contraceptive; and

b. a twelve-month period for any subsequent dispensing of the same contraceptive, regardless of whether coverage under the contract was in effect at the time of the first dispensing.

A religious employer may request, and a hospital service corporation shall grant, an exclusion under the contract for the coverage required by this section if the required coverage conflicts with the religious employer's bona fide religious beliefs and practices. A religious employer that obtains such an exclusion shall provide written notice thereof to prospective subscribers and subscribers. The provisions of this section shall not be construed as authorizing a hospital service corporation to exclude coverage for prescription drugs that are prescribed for reasons other than contraceptive purposes or for prescription female contraceptives that are necessary to preserve the life or health of a subscriber. For the purposes of this section, "religious employer" means an employer that is a church, convention or association of churches or an elementary or secondary school that is controlled, operated or principally supported by a church or by a convention or association.

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.
of churches as defined in 26 U.S.C.s.3121(w)(3)(A), and that qualifies as a tax-exempt organization under 26 U.S.C.s.501(c)(3).

The benefits shall be provided to the same extent as for any other outpatient prescription drug under the contract.

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

(cf: P.L.2005, c.251, s.1)

2. Section 2 of P.L.2005, c.251 (C.17:48A-7bb) is amended to read as follows:

2. A medical service corporation that provides hospital or medical expense benefits for expenses incurred in the purchase of outpatient prescription drugs under a contract shall provide coverage under every such contract delivered, issued, executed or renewed in this State or approved for issuance or renewal in this State by the Commissioner of Banking and Insurance, on or after the effective date of this act, for expenses incurred in the purchase of prescription female contraceptives. For the purposes of this section, "prescription female contraceptives" means any drug or device used for contraception by a female, which is approved by the federal Food and Drug Administration for that purpose, that can only be purchased in this State with a prescription written by a health care professional licensed or authorized to write prescriptions, and includes, but is not limited to, birth control pills and diaphragms. The coverage provided shall include prescriptions for dispensing contraceptives for:

   a. a three-month period for the first dispensing of the contraceptive; and

   b. a twelve-month period for any subsequent dispensing of the same contraceptive, regardless of whether coverage under the contract was in effect at the time of the first dispensing.

A religious employer may request, and a medical service corporation shall grant, an exclusion under the contract for the coverage required by this section if the required coverage conflicts with the religious employer's bona fide religious beliefs and practices. A religious employer that obtains such an exclusion shall provide written notice thereof to prospective subscribers and subscribers. The provisions of this section shall not be construed as authorizing a medical service corporation to exclude coverage for prescription drugs that are prescribed for reasons other than contraceptive purposes or for prescription female contraceptives that are necessary to preserve the life or health of a subscriber. For the purposes of this section, "religious employer" means an employer that is a church, convention or association of churches or an elementary or secondary school that is controlled, operated or principally supported by a church or by a convention or association of churches as defined in 26 U.S.C.s.3121(w)(3)(A), and that qualifies as a tax-exempt organization under 26 U.S.C.s.501(c)(3).
The benefits shall be provided to the same extent as for any other outpatient prescription drug under the contract.

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

(cf: P.L.2005, c.251, s.2)

3. Section 3 of P.L.2005, c.251 (C.17:48E-35.29) is amended to read as follows:

3. A health service corporation that provides hospital or medical expense benefits for expenses incurred in the purchase of outpatient prescription drugs under a contract shall provide coverage under every such contract delivered, issued, executed or renewed in this State or approved for issuance or renewal in this State by the Commissioner of Banking and Insurance, on or after the effective date of this act, for expenses incurred in the purchase of prescription female contraceptives. For the purposes of this section, "prescription female contraceptives" means any drug or device used for contraception by a female, which is approved by the federal Food and Drug Administration for that purpose, that can only be purchased in this State with a prescription written by a health care professional licensed or authorized to write prescriptions, and includes, but is not limited to, birth control pills and diaphragms. The coverage provided shall include prescriptions for dispensing contraceptives for:

a. a three-month period for the first dispensing of the contraceptive; and

b. a twelve-month period for any subsequent dispensing of the same contraceptive, regardless of whether coverage under the contract was in effect at the time of the first dispensing.

A religious employer may request, and a health service corporation shall grant, an exclusion under the contract for the coverage required by this section if the required coverage conflicts with the religious employer's bona fide religious beliefs and practices. A religious employer that obtains such an exclusion shall provide written notice thereof to prospective subscribers and subscribers. The provisions of this section shall not be construed as authorizing a health service corporation to exclude coverage for prescription drugs that are prescribed for reasons other than contraceptive purposes or for prescription female contraceptives that are necessary to preserve the life or health of a subscriber. For the purposes of this section, "religious employer" means an employer that is a church, convention or association of churches or an elementary or secondary school that is controlled, operated or principally supported by a church or by a convention or association of churches as defined in 26 U.S.C.s.3121(w)(3)(A), and that qualifies as a tax-exempt organization under 26 U.S.C.s.501(c)(3).

The benefits shall be provided to the same extent as for any other outpatient prescription drug under the contract.
This section shall apply to those contracts in which the health
service corporation has reserved the right to change the premium.
(cf: P.L.2005, c.251, s.3)

4. Section 4 of P.L.2005, c.251 (C.17B:27-46.1ee) is amended
to read as follows:
4. A group health insurer that provides hospital or medical
expense benefits for expenses incurred in the purchase of outpatient
prescription drugs under a policy shall provide coverage under
every such policy delivered, issued, executed or renewed in this
State or approved for issuance or renewal in this State by the
Commissioner of Banking and Insurance, on or after the effective
date of this act, for expenses incurred in the purchase of
prescription female contraceptives. For the purposes of this section,
"prescription female contraceptives" means any drug or device used
for contraception by a female, which is approved by the federal
Food and Drug Administration for that purpose, that can only be
purchased in this State with a prescription written by a health care
professional licensed or authorized to write prescriptions, and
includes, but is not limited to, birth control pills and diaphragms.
The coverage provided shall include prescriptions for dispensing
contraceptives for:
a. a three-month period for the first dispensing of the
contraceptive; and
b. a twelve-month period for any subsequent dispensing of the
same contraceptive, regardless of whether coverage under the
policy was in effect at the time of the first dispensing.
A religious employer may request, and an insurer shall grant, an
exclusion under the policy for the coverage required by this section
if the required coverage conflicts with the religious employer's bona
fide religious beliefs and practices. A religious employer that
obtains such an exclusion shall provide written notice thereof to
prospective insureds and insureds. The provisions of this section
shall not be construed as authorizing an insurer to exclude coverage
for prescription drugs that are prescribed for reasons other than
contraceptive purposes or for prescription female contraceptives
that are necessary to preserve the life or health of an insured. For
the purposes of this section, "religious employer" means an
employer that is a church, convention or association of churches or
an elementary or secondary school that is controlled, operated or
principally supported by a church or by a convention or association
of churches as defined in 26 U.S.C.s.3121(w)(3)(A), and that
qualifies as a tax-exempt organization under 26 U.S.C.s.501(c)(3).
The benefits shall be provided to the same extent as for any other
outpatient prescription drug under the policy.
This section shall apply to those policies in which the insurer has
reserved the right to change the premium.
(cf: P.L.2005, c.251, s.4)
Section 5 of P.L.2005, c.251 (C.17B:26-2.1y) is amended to read as follows:

5. An individual health insurer that provides hospital or medical expense benefits for expenses incurred in the purchase of outpatient prescription drugs under a policy shall provide coverage under every such policy delivered, issued, executed or renewed in this State or approved for issuance or renewal in this State by the Commissioner of Banking and Insurance, on or after the effective date of this act, for expenses incurred in the purchase of prescription female contraceptives. For the purposes of this section, "prescription female contraceptives" means any drug or device used for contraception by a female, which is approved by the federal Food and Drug Administration for that purpose, that can only be purchased in this State with a prescription written by a health care professional licensed or authorized to write prescriptions, and includes, but is not limited to, birth control pills and diaphragms. The coverage provided shall include prescriptions for dispensing contraceptives for:

a. a three-month period for the first dispensing of the contraceptive; and

b. a twelve-month period for any subsequent dispensing of the same contraceptive, regardless of whether coverage under the policy was in effect at the time of the first dispensing.

A religious employer may request, and an insurer shall grant, an exclusion under the policy for the coverage required by this section if the required coverage conflicts with the religious employer's bona fide religious beliefs and practices. A religious employer that obtains such an exclusion shall provide written notice thereof to prospective insureds and insureds. The provisions of this section shall not be construed as authorizing an insurer to exclude coverage for prescription drugs that are prescribed for reasons other than contraceptive purposes or for prescription female contraceptives that are necessary to preserve the life or health of an insured. For the purposes of this section, "religious employer" means an employer that is a church, convention or association of churches or an elementary or secondary school that is controlled, operated or principally supported by a church or by a convention or association of churches as defined in 26 U.S.C.s.3121(w)(3)(A), and that qualifies as a tax-exempt organization under 26 U.S.C.s.501(c)(3).

The benefits shall be provided to the same extent as for any other outpatient prescription drug under the policy.

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

(cf: P.L.2005, c.251, s.5)

Section 6 of P.L.2005, c.251 (C.26:2J-4.30) is amended to read as follows:
6. A certificate of authority to establish and operate a health
maintenance organization in this State shall not be issued or
continued on or after the effective date of this act for a health
maintenance organization that provides health care services for
outpatient prescription drugs under a contract, unless the health
maintenance organization also provides health care services for
prescription female contraceptives. For the purposes of this section,
"prescription female contraceptives" means any drug or device used
for contraception by a female, which is approved by the federal
Food and Drug Administration for that purpose, that can only be
purchased in this State with a prescription written by a health care
professional licensed or authorized to write prescriptions, and
includes, but is not limited to, birth control pills and diaphragms.
The coverage provided shall include prescriptions for dispensing
contraceptives for:
   a. a three-month period for the first dispensing of the
      contraceptive; and
   b. a twelve-month period for any subsequent dispensing of the
      same contraceptive, regardless of whether coverage under the
      contract was in effect at the time of the first dispensing.
A religious employer may request, and a health maintenance
organization shall grant, an exclusion under the contract for the
health care services required by this section if the required health
care services conflict with the religious employer's bona fide
religious beliefs and practices. A religious employer that obtains
such an exclusion shall provide written notice thereof to prospective
enrollees and enrollees. The provisions of this section shall not be
construed as authorizing a health maintenance organization to
exclude health care services for prescription drugs that are
prescribed for reasons other than contraceptive purposes or for
prescription female contraceptives that are necessary to preserve the
life or health of an enrollee. For the purposes of this section,
"religious employer" means an employer that is a church,
convention or association of churches or an elementary or
secondary school that is controlled, operated or principally
supported by a church or by a convention or association of churches
as defined in 26 U.S.C.s.3121(w)(3)(A), and that qualifies as a tax-
exempt organization under 26 U.S.C.s.501(c)(3).
The health care services shall be provided to the same extent as
for any other outpatient prescription drug under the contract.
The provisions of this section shall apply to those contracts for
health care services by health maintenance organizations under
which the right to change the schedule of charges for enrollee
coverage is reserved.
(cf: P.L.2005, c.251, s.6)

7. Section 7 of P.L.2005, c.251 (C.17B:27A-7.12) is amended
to read as follows:
7. An individual health benefits plan required pursuant to section 3 of P.L.1992, c.161 (C.17B:27A-4) that provides benefits for expenses incurred in the purchase of outpatient prescription drugs shall provide coverage for expenses incurred in the purchase of prescription female contraceptives. For the purposes of this section, "prescription female contraceptives" means any drug or device used for contraception by a female, which is approved by the federal Food and Drug Administration for that purpose, that can only be purchased in this State with a prescription written by a health care professional licensed or authorized to write prescriptions, and includes, but is not limited to, birth control pills and diaphragms. The coverage provided shall include prescriptions for dispensing contraceptives for:
   a. a three-month period for the first dispensing of the contraceptive; and
   b. a twelve-month period for any subsequent dispensing of the same contraceptive, regardless of whether coverage under the plan was in effect at the time of the first dispensing.

A religious employer may request, and a carrier shall grant, an exclusion under the health benefits plan for the coverage required by this section if the required coverage conflicts with the religious employer's bona fide religious beliefs and practices. A religious employer that obtains such an exclusion shall provide written notice thereof to prospective covered persons and covered persons. The provisions of this section shall not be construed as authorizing a carrier to exclude coverage for prescription drugs that are prescribed for reasons other than contraceptive purposes or for prescription female contraceptives that are necessary to preserve the life or health of a covered person. For the purposes of this section, "religious employer" means an employer that is a church, convention or association of churches or an elementary or secondary school that is controlled, operated or principally supported by a church or by a convention or association of churches as defined in 26 U.S.C.s.3121(w)(3)(A), and that qualifies as a tax-exempt organization under 26 U.S.C.s.501(c)(3).

The benefits shall be provided to the same extent as for any other outpatient prescription drug under the health benefits plan.

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

(cf: P.L.2005, c.251, s.7)

8. Section 8 of P.L.2005, c.251 (C.17B:27A-19.15) is amended to read as follows:

8. A small employer health benefits plan required pursuant to section 3 of P.L.1992, c.162 (C.17B:27A-19) that provides benefits for expenses incurred in the purchase of outpatient prescription drugs shall provide coverage for expenses incurred in the purchase of prescription female contraceptives. For the purposes of this
section, "prescription female contraceptives" means any drug or
device used for contraception by a female, which is approved by the
federal Food and Drug Administration for that purpose, that can
only be purchased in this State with a prescription written by a
health care professional licensed or authorized to write
prescriptions, and includes, but is not limited to, birth control pills
and diaphragms. The coverage provided shall include prescriptions
for dispensing contraceptives for:

a. a three-month period for the first dispensing of the
contraceptive; and

b. a twelve-month period for any subsequent dispensing of the
same contraceptive, regardless of whether coverage under the plan
was in effect at the time of the first dispensing.

A religious employer may request, and a carrier shall grant, an
exclusion under the health benefits plan for the coverage required
by this section if the required coverage conflicts with the religious
employer's bona fide religious beliefs and practices. A religious
employer that obtains such an exclusion shall provide written notice
thereof to prospective covered persons and covered persons. The
provisions of this section shall not be construed as authorizing a
carrier to exclude coverage for prescription drugs that are
prescribed for reasons other than contraceptive purposes or for
prescription female contraceptives that are necessary to preserve the
life or health of a covered person. For the purposes of this section,
"religious employer" means an employer that is a church,
convention or association of churches or an elementary or
secondary school that is controlled, operated or principally
supported by a church or by a convention or association of churches
as defined in 26 U.S.C.s.3121(w)(3)(A), and that qualifies as a tax-
exempt organization under 26 U.S.C.s.501(c)(3).

The benefits shall be provided to the same extent as for any other
outpatient prescription drug under the health benefits plan.

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

(cf: P.L.2005, c.251, s.8)

9. Section 9 of P.L.2005, c.251 (C.17:48F-13.2) is amended to
read as follows:

9. A prepaid prescription service organization that provides
benefits for expenses incurred in the purchase of outpatient
prescription drugs under a contract shall provide coverage under
every such contract delivered, issued, executed or renewed in this
State or approved for issuance or renewal in this State by the
Commissioner of Banking and Insurance, on or after the effective
date of this act, for expenses incurred in the purchase of
prescription female contraceptives. For the purposes of this section,
"prescription female contraceptives" means any drug or device used
for contraception by a female, which is approved by the federal
Food and Drug Administration for that purpose, that can only be
purchased in this State with a prescription written by a health care
professional licensed or authorized to write prescriptions, and
includes, but is not limited to, birth control pills and diaphragms.
The coverage provided shall include prescriptions for dispensing
contraceptives for:
   a. a three-month period for the first dispensing of the
contraceptive; and
   b. a twelve-month period for any subsequent dispensing of the
same contraceptive, regardless of whether coverage under the
contract was in effect at the time of the first dispensing.
A religious employer may request, and a prepaid prescription
service organization shall grant, an exclusion under the contract for
the coverage required by this section if the required coverage
conflicts with the religious employer's bona fide religious beliefs
and practices. A religious employer that obtains such an exclusion
shall provide written notice thereof to prospective enrollees and
enrollees. The provisions of this section shall not be construed as
authorizing a prepaid prescription service organization to exclude
coverage for prescription drugs that are prescribed for reasons other
than contraceptive purposes or for prescription female
contraceptives that are necessary to preserve the life or health of an
enrollee. For the purposes of this section, "religious employer"
means an employer that is a church, convention or association of
churches or an elementary or secondary school that is controlled,
operated or principally supported by a church or by a convention or
association of churches as defined in 26 U.S.C.s.3121(w)(3)(A),
and that qualifies as a tax-exempt organization under 26
U.S.C.s.501(c)(3).
The benefits shall be provided to the same extent as for any other
outpatient prescription drug under the contract.
This section shall apply to those prepaid prescription contracts in
which the prepaid prescription service organization has reserved the
right to change the premium.
(cf: P.L.2005, c.251, s.9)

10. Section 10 of P.L.2005, c.251 (C.52:14-17.29j) is amended
to read as follows:
10. The State Health Benefits Commission shall ensure that
every contract purchased by the commission on or after the
effective date of this act that provides benefits for expenses
incurred in the purchase of outpatient prescription drugs shall
provide benefits for expenses incurred in the purchase of
prescription female contraceptives.
For the purposes of this section, "prescription female
contraceptives" means any drug or device used for contraception by
a female, which is approved by the federal Food and Drug
Administration for that purpose, that can only be purchased in this State with a prescription written by a health care professional licensed or authorized to write prescriptions, and includes, but is not limited to, birth control pills and diaphragms. The coverage provided shall include prescriptions for dispensing contraceptives for:

a. a three-month period for the first dispensing of the contraceptive; and

b. a twelve-month period for any subsequent dispensing of the same contraceptive, regardless of whether coverage under the contract was in effect at the time of the first dispensing.

(cf: P.L.2005, c.251, s.10)

11. This act shall take effect on the 90th day next following enactment and shall apply to policies and contracts delivered, issued, executed or renewed on or after the effective date of this act.

STATEMENT

This bill amends P.L.2005, c.251, the statute requiring health insurers that provide coverage for outpatient prescription drugs to cover prescription female contraceptives, to include a requirement for coverage of dispensing contraceptives for up to twelve months.

Under the bill, the coverage provided shall include prescriptions for dispensing contraceptives for: (1) a three-month period for the first dispensing of the contraceptive; and (2) a twelve-month period for any subsequent dispensing of the same contraceptive, regardless of whether coverage under that policy or contract was in effect at the time of the first dispensing.

These amendments apply to hospital, medical, and health service corporations, commercial, individual, small employer and group health insurers, health maintenance organizations, prepaid prescription service organizations, and the State Health Benefits Program.