## ASSEMBLY, No. 4613

# STATE OF NEW JERSEY

### 218th LEGISLATURE

INTRODUCED OCTOBER 18, 2018

**Sponsored by:** 

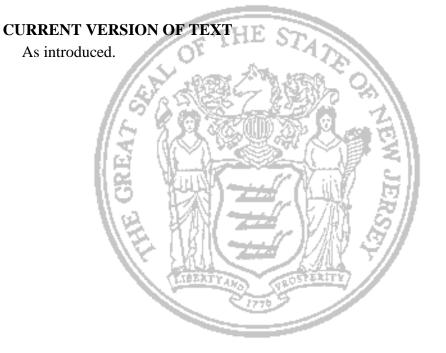
Assemblyman JON M. BRAMNICK
District 21 (Morris, Somerset and Union)
Assemblyman ANTHONY M. BUCCO
District 25 (Morris and Somerset)
Assemblyman RONALD S. DANCER
District 12 (Burlington, Middlesex, Monmouth and Ocean)

#### **Co-Sponsored by:**

Assemblywoman Handlin, Assemblymen Moriarty, DePhillips and Assemblywoman N.Munoz

#### **SYNOPSIS**

Prohibits pre-approval or precertification of medical tests, procedures and prescription drugs covered under health benefits or prescription drug benefits plans.



(Sponsorship Updated As Of: 6/28/2019)

#### A4613 BRAMNICK, A.M.BUCCO

**AN ACT** concerning pre-approval and precertification of certain health and pharmacy benefits and supplementing various parts of the statutory law.

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

1. Notwithstanding the provisions of any other law, rule or regulation to the contrary, a carrier shall not condition the payment of any benefit for a medical test or procedure, or prescription drug, upon any pre-approval or precertification of any kind by the carrier if that test, procedure or prescription drug is otherwise covered under the health benefits plan and it has been prescribed by a licensed health care provider.

2. Notwithstanding the provisions of any other law, rule or regulation to the contrary, a third party administrator shall not condition the payment of any benefit for a medical test or procedure, or prescription drug, upon any pre-approval or precertification of any kind by the third party administrator or benefits payer if that test, procedure or prescription drug is otherwise covered under the health benefits plan and it has been prescribed by a licensed health care provider.

3. Notwithstanding the provisions of any other law, rule or regulation to the contrary, a pharmacy benefits manager shall not condition the payment of any benefit for a prescription drug, upon any pre-approval or precertification of any kind by the pharmacy benefits manager, carrier or purchaser if that prescription drug is otherwise covered under the health benefits plan and it has been prescribed by a licensed health care provider.

4. Notwithstanding the provisions of any other law, rule or regulation to the contrary, a contract for health benefits, or for prescription drug benefits, purchased by the State Health Benefits Program shall not condition the payment of any benefit for a medical test or procedure, or prescription drug, upon any preapproval or precertification of any kind if that test, procedure or prescription drug is otherwise covered under the health benefits plan and it has been prescribed by a licensed health care provider.

5. Notwithstanding the provisions of any other law, rule or regulation to the contrary, a contract for health benefits, or for prescription drug benefits, purchased by the School Employees' Health Benefits Program shall not condition the payment of any benefit for a medical test, procedure or prescription drug, upon any pre-approval or precertification of any kind if that test, procedure or

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prescription drug is otherwise covered under the health benefits plan and it has been prescribed by a licensed health care provider.

6. This act shall take effect immediately and apply to health benefits plans or prescription drug benefits plans issued or purchased on or after that date.

#### **STATEMENT**

This bill prohibits health insurers, third party administrators, pharmacy benefits managers, and the State Health Benefits Program and the School Employees' Health Benefits Program from requiring the pre-approval or precertification of medical tests, procedures or prescription drugs covered under a health benefits or prescription drug benefits plan. This bill will ensure that patients who are ill are not burdened with technical requirements by health benefits providers which employ utilization management review systems that slow down medical care.

The sponsor is concerned that complaints from people who need medical treatment are on the rise, and feels that it is time to end the nightmare of the insurance company bureaucracy that is frustrating patients who need care and medicine. The so-called "pre-approval" process, now required by insurance companies, is a nightmare for patients across New Jersey. Historically, doctors would order a test or medicine and patients received it. Now, a myriad of bureaucratic obstacles makes patients and doctors pawns in a sad game of insurance-company chess. There are examples of cancer patients waiting for long periods of time to receive medicine because of a

The sponsor is convinced that it is time for the doctors to make decisions, not insurance companies; it is time for patients who are ill to not be burdened with technical requirements by insurance companies that employ systems that slow down medical care and are incredibly frustrating. It is the sponsor's goal that insurance companies pay for what the doctor orders.

cumbersome and slow approval policy.