

ASSEMBLY, No. 2214

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

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District 27 (Essex and Morris)

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District 37 (Bergen)

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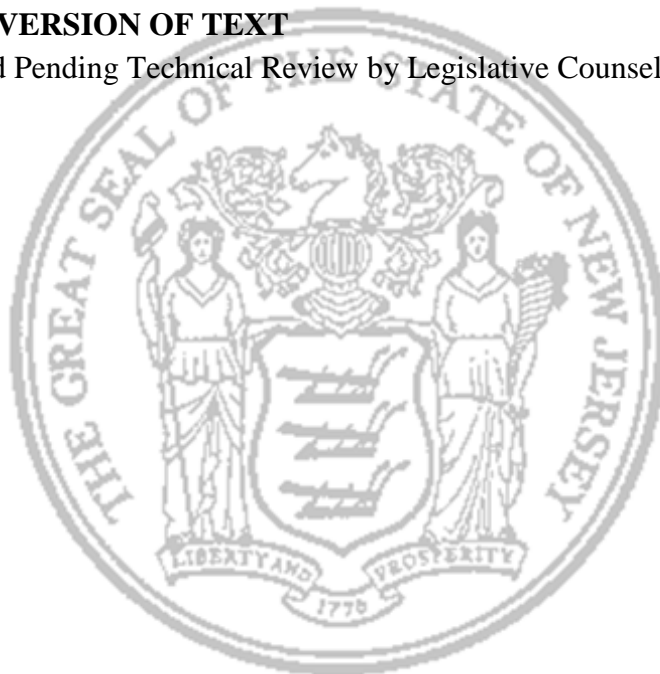
**Assemblywoman Pinkin, Assemblymen Caputo, Holley, Assemblywomen
Lampitt, Timberlake, Jasey and McKnight**

SYNOPSIS

Requires continuation of health benefits dependent coverage until child turns 26 years of age.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 AN ACT concerning enrollment of adult children for health
2 insurance coverage and amending P.L.1995, c.288.

3
4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6
7 1. Section 1 of P.L.1995, c.288 (C.17:48-6.15) is amended to
8 read as follows:

9 1. a. A hospital service corporation contract which provides
10 hospital or medical expense benefits under which dependent
11 coverage is available shall continue to make that coverage available
12 for an adult child until the child turns 26 years of age. A contract
13 shall not deny coverage for a subscriber's child on the grounds that:

14 (1) The child was born out of wedlock;
15 (2) The child is not claimed as a dependent on the subscriber's
16 federal tax return; **[or]**

17 (3) The child does not reside with the subscriber or in the
18 hospital service corporation's service area, provided that, in the case
19 of a managed care plan, the child complies with the terms and
20 conditions of the contract with respect to the use of specified
21 providers;

22 (4) The child is married;

23 (5) The child has or adopts a child; or

24 (6) The child starts or leaves school.

25 b. If a child has coverage through a hospital service corporation
26 contract of a noncustodial parent, the hospital service corporation
27 shall:

28 (1) Provide such information to the custodial parent as may be
29 necessary for the child to obtain benefits through the child's
30 noncustodial parent's coverage;

31 (2) Permit the custodial parent, or the health care provider with
32 the authorization of the custodial parent, to submit claims for
33 covered services without the approval of the noncustodial parent;
34 and

35 (3) Make payments on claims submitted in accordance with
36 paragraph (2) of this subsection directly to the custodial parent, the
37 health care provider or the Division of Medical Assistance and
38 Health Services in the Department of Human Services which
39 administers the State Medicaid program, as appropriate.

40 c. When a parent who is the subscriber is eligible for
41 dependent coverage and is required by a court or administrative
42 order to provide health insurance coverage for his child, the hospital
43 service corporation shall:

44 (1) Permit the parent to enroll his child as a dependent, without
45 regard to any open enrollment **[season]** restrictions;

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.

(2) Permit the child's other parent, or the Division of Medical Assistance and Health Services as the State Medicaid agency or the Division of Family Development as the State IV-D agency, in the Department of Human Services, to enroll the child under the contract if the parent who is the subscriber fails to enroll the child; and

(3) Not terminate coverage of the child unless the parent who is the subscriber provides the hospital service corporation with satisfactory written evidence that: the court or administrative order is no longer in effect; or the child is or will be enrolled in a comparable health benefits plan whose coverage will be effective on the date of the termination of coverage.

(cf: P.L.1995, c.288, s.1)

2. Section 3 of P.L.1995, c.288 (C.17:48A-7.10) is amended to read as follows:

3. a. A medical service corporation contract which provides hospital or medical expense benefits under which dependent coverage is available shall continue to make that coverage available for an adult child until the child turns 26 years of age. A contract shall not deny coverage for a subscriber's child on the grounds that:

(1) The child was born out of wedlock;

(2) The child is not claimed as a dependent on the subscriber's federal tax return; **[or]**

(3) The child does not reside with the subscriber or in the medical service corporation's service area, provided that, in the case of a managed care plan, the child complies with the terms and conditions of the contract with respect to the use of specified providers;

(4) The child is married;

(5) The child has or adopts a child; or

(6) The child starts or leaves school.

b. If a child has coverage through a medical service corporation contract of a noncustodial parent, the medical service corporation shall:

(1) Provide such information to the custodial parent as may be necessary for the child to obtain benefits through the child's noncustodial parent's coverage;

(2) Permit the custodial parent, or the health care provider with the authorization of the custodial parent, to submit claims for covered services without the approval of the noncustodial parent; and

(3) Make payments on claims submitted in accordance with paragraph (2) of this subsection directly to the custodial parent, the health care provider or the Division of Medical Assistance and Health Services in the Department of Human Services which administers the State Medicaid program, as appropriate.

1 c. When a parent who is the subscriber is eligible for
2 dependent coverage and is required by a court or administrative
3 order to provide health insurance coverage for his child, the medical
4 service corporation shall:

5 (1) Permit the parent to enroll his child as a dependent, without
6 regard to any open enrollment **【season】** restrictions;

7 (2) Permit the child's other parent, or the Division of Medical
8 Assistance and Health Services as the State Medicaid agency or the
9 Division of Family Development as the State IV-D agency, in the
10 Department of Human Services, to enroll the child under the
11 contract if the parent who is the subscriber fails to enroll the child;
12 and

13 (3) Not terminate coverage of the child unless the parent who is
14 the subscriber provides the medical service corporation with
15 satisfactory written evidence that: the court or administrative order
16 is no longer in effect; or the child is or will be enrolled in a
17 comparable health benefits plan whose coverage will be effective
18 on the date of the termination of coverage.

19 (cf: P.L.1995, c.288, s.3)
20

21 3. Section 5 of P.L.1995, c.288 (C.17:48E-32.1) is amended to
22 read as follows:

23 5. a. A health service corporation contract which provides
24 hospital or medical expense benefits under which dependent
25 coverage is available shall continue to make that coverage available
26 for an adult child until the child turns 26 years of age. A contract
27 shall not deny coverage for a subscriber's child on the grounds that:

28 (1) The child was born out of wedlock;

29 (2) The child is not claimed as a dependent on the subscriber's
30 federal tax return; **【or】**

31 (3) The child does not reside with the subscriber or in the health
32 service corporation's service area, provided that, in the case of a
33 managed care plan, the child complies with the terms and
34 conditions of the contract with respect to the use of specified
35 providers;

36 (4) The child is married;

37 (5) The child has or adopts a child; or

38 (6) The child starts or leaves school.

39 b. If a child has coverage through a health service corporation
40 contract of a noncustodial parent, the health service corporation
41 shall:

42 (1) Provide such information to the custodial parent as may be
43 necessary for the child to obtain benefits through the child's
44 noncustodial parent's coverage;

45 (2) Permit the custodial parent, or the health care provider with
46 the authorization of the custodial parent, to submit claims for
47 covered services without the approval of the noncustodial parent;
48 and

(3) Make payments on claims submitted in accordance with paragraph (2) of this subsection directly to the custodial parent, the health care provider or the Division of Medical Assistance and Health Services in the Department of Human Services which administers the State Medicaid program, as appropriate.

c. When a parent who is the subscriber is eligible for dependent coverage and is required by a court or administrative order to provide health insurance coverage for his child, the health service corporation shall:

(1) Permit the parent to enroll his child as a dependent, without regard to any open enrollment **【season】** restrictions;

(2) Permit the child's other parent, or the Division of Medical Assistance and Health Services as the State Medicaid agency or the Division of Family Development as the State IV-D agency, in the Department of Human Services, to enroll the child under the contract if the parent who is the subscriber fails to enroll the child; and

(3) Not terminate coverage of the child unless the parent who is the subscriber provides the health service corporation with satisfactory written evidence that: the court or administrative order is no longer in effect; or the child is or will be enrolled in a comparable health benefits plan whose coverage will be effective on the date of the termination of coverage.
(cf: P.L.1995, c.288, s.5)

4. Section 11 of P.L.1995, c.288 (C.17B:27-30.1) is amended to read as follows:

11. a. A policy which provides hospital or medical expense benefits under which dependent coverage is available shall continue to make that coverage available for an adult child until the child turns 26 years of age. A policy shall not deny coverage for an insured's child on the grounds that:

(1) The child was born out of wedlock;

(2) The child is not claimed as a dependent on the insured's federal tax return; **【or】**

(3) The child does not reside with the insured or in the insurer's service area, provided that, in the case of a managed care plan, the child complies with the terms and conditions of the policy with respect to the use of specified providers;

(4) The child is married;

(5) The child has or adopts a child; or

(6) The child starts or leaves school.

b. If a child has coverage through a health insurance policy of a noncustodial parent, the insurer shall:

(1) Provide such information to the custodial parent as may be necessary for the child to obtain benefits through the child's noncustodial parent's coverage;

(2) Permit the custodial parent, or the health care provider with the authorization of the custodial parent, to submit claims for covered services without the approval of the noncustodial parent; and

(3) Make payments on claims submitted in accordance with paragraph (2) of this subsection directly to the custodial parent, the health care provider or the Division of Medical Assistance and Health Services in the Department of Human Services which administers the State Medicaid program, as appropriate.

c. When a parent who is the insured is eligible for dependent coverage and is required by a court or administrative order to provide health insurance coverage for his child, the insurer shall:

(1) Permit the parent to enroll his child as a dependent, without regard to any open enrollment **【season】** restrictions;

(2) Permit the child's other parent, or the Division of Medical Assistance and Health Services as the State Medicaid agency or the Division of Family Development as the State IV-D agency, in the Department of Human Services, to enroll the child under the health insurance policy if the parent who is the insured fails to enroll the child; and

(3) Not terminate coverage of the child unless the parent who is the insured provides the insurer with satisfactory written evidence that: the court or administrative order is no longer in effect; or the child is or will be enrolled in a comparable health benefits plan whose coverage will be effective on the date of the termination of coverage.

(cf: P.L.1995, c.288, s.11)

5. Section 15 of P.L.1995, c.288 (C.17B:27-30.3) is amended to read as follows:

15. a. A group health plan as defined in section 607(1) of the "Employee Retirement Income Security Act of 1974," 29 U.S.C.1167(1) which provides hospital or medical expense benefits under which dependent coverage is available shall continue to make that coverage available for an adult child until the child turns 26 years of age. A plan shall not deny coverage for a covered employee's child on the grounds that:

(1) The child was born out of wedlock;

(2) The child is not claimed as a dependent on the covered employee's federal tax return; **【or】**

(3) The child does not reside with the covered employee or in the group health plan's service area, provided that, in the case of a managed care plan, the child complies with the terms and conditions of the plan with respect to the use of specified providers;

(4) The child is married;

(5) The child has or adopts a child; or

(6) The child starts or leaves school.

1 b. If a child has coverage through a group health plan of a
2 noncustodial parent, the plan shall:

3 (1) Provide such information to the custodial parent as may be
4 necessary for the child to obtain benefits through the child's
5 noncustodial parent's coverage;

6 (2) Permit the custodial parent, or the health care provider with
7 the authorization of the custodial parent, to submit claims for
8 covered services without the approval of the noncustodial parent;
9 and

10 (3) Make payments on claims submitted in accordance with
11 paragraph (2) of this subsection directly to the custodial parent, the
12 health care provider or the Division of Medical Assistance and
13 Health Services in the Department of Human Services which
14 administers the State Medicaid program, as appropriate.

15 c. When a parent who is the covered employee is eligible for
16 dependent coverage and is required by a court or administrative
17 order to provide health insurance coverage for his child, the group
18 health plan shall:

19 (1) Permit the parent to enroll his child as a dependent, without
20 regard to any open enrollment **【season】** restrictions;

21 (2) Permit the child's other parent, or the Division of Medical
22 Assistance and Health Services as the State Medicaid agency or the
23 Division of Family Development as the State IV-D agency, in the
24 Department of Human Services, to enroll the child under the group
25 health plan if the parent who is the covered employee fails to enroll
26 the child; and

27 (3) Not terminate coverage of the child unless the parent who is
28 the covered employee provides the group health plan with
29 satisfactory written evidence that: the court or administrative order
30 is no longer in effect; or the child is or will be enrolled in a
31 comparable health benefits plan whose coverage will be effective
32 on the date of the termination of coverage.

33 (cf: P.L.1995, c.288, s.15)
34

35 6. Section 7 of P.L.1995, c.288 (C.17B:27A-4.1) is amended to
36 read as follows:

37 7. a. A policy or contract which provides hospital or medical
38 expense benefits under which dependent coverage is available shall
39 continue to make that coverage available for an adult child until the
40 child turns 26 years of age. A policy or contract shall not deny
41 coverage for a policy or contract holder's child on the grounds that:

42 (1) The child was born out of wedlock;

43 (2) The child is not claimed as a dependent on the policy or
44 contract holder's federal tax return; **【or】**

45 (3) The child does not reside with the policy or contract holder
46 or in the carrier's service area, provided that, in the case of a
47 managed care plan, the child complies with the terms and

1 conditions of the policy or contract with respect to the use of
2 specified providers;

3 (4) The child is married;

4 (5) The child has or adopts a child; or

5 (6) The child starts or leaves school.

6 b. If a child has coverage through a policy or contract of a
7 noncustodial parent, the carrier shall:

8 (1) Provide such information to the custodial parent as may be
9 necessary for the child to obtain benefits through the child's
10 noncustodial parent's coverage;

11 (2) Permit the custodial parent, or the health care provider with
12 the authorization of the custodial parent, to submit claims for
13 covered services without the approval of the noncustodial parent;
14 and

15 (3) Make payments on claims submitted in accordance with
16 paragraph (2) of this subsection directly to the custodial parent, the
17 health care provider or the Division of Medical Assistance and
18 Health Services in the Department of Human Services which
19 administers the State Medicaid program, as appropriate.

20 c. When a parent who is the policy or contract holder is eligible
21 for dependent coverage and is required by a court or administrative
22 order to provide health insurance coverage for his child, the carrier
23 shall:

24 (1) Permit the parent to enroll his child as a dependent, without
25 regard to any open enrollment [season] restrictions;

26 (2) Permit the child's other parent, or the Division of Medical
27 Assistance and Health Services as the State Medicaid agency or the
28 Division of Family Development as the State IV-D agency, in the
29 Department of Human Services, to enroll the child under the policy
30 or contract if the parent who is the policy or contract holder fails to
31 enroll the child; and

32 (3) Not terminate coverage of the child unless the parent who is
33 the policy or contract holder provides the carrier with satisfactory
34 written evidence that: the court or administrative order is no longer
35 in effect; or the child is or will be enrolled in a comparable health
36 benefits plan whose coverage will be effective on the date of the
37 termination of coverage.

38 (cf: P.L.1995, c.288, s.7)

39

40 7. Section 9 of P.L.1995, c.288 (C.17B:27A-18.1) is amended
41 to read as follows:

42 9. a. A policy or contract which provides hospital or medical
43 expense benefits under which dependent coverage is available shall
44 continue to make that coverage available for an adult child until the
45 child turns 26 years of age. A policy or contract shall not deny
46 coverage for a covered employee's child on the grounds that:

47 (1) The child was born out of wedlock;

1 (2) The child is not claimed as a dependent on the covered
2 employee's federal tax return; **[or]**

3 (3) The child does not reside with the covered employee or in
4 the carrier's service area, provided that, in the case of a managed
5 care plan, the child complies with the terms and conditions of the
6 policy or contract with respect to the use of specified providers;

7 (4) The child is married;

8 (5) The child has or adopts a child; or

9 (6) The child starts or leaves school.

10 b. If a child has coverage through a policy or contract of a
11 noncustodial parent, the carrier shall:

12 (1) Provide such information to the custodial parent as may be
13 necessary for the child to obtain benefits through the child's
14 noncustodial parent's coverage;

15 (2) Permit the custodial parent, or the health care provider with
16 the authorization of the custodial parent, to submit claims for
17 covered services without the approval of the noncustodial parent;
18 and

19 (3) Make payments on claims submitted in accordance with
20 paragraph (2) of this subsection directly to the custodial parent, the
21 health care provider or the Division of Medical Assistance and
22 Health Services in the Department of Human Services which
23 administers the State Medicaid program, as appropriate.

24 c. When a parent who is the covered employee is eligible for
25 dependent coverage and is required by a court or administrative
26 order to provide health insurance coverage for his child, the carrier
27 shall:

28 (1) Permit the parent to enroll his child as a dependent, without
29 regard to any open enrollment **[season]** restrictions;

30 (2) Permit the child's other parent, or the Division of Medical
31 Assistance and Health Services as the State Medicaid agency or the
32 Division of Family Development as the State IV-D agency, in the
33 Department of Human Services, to enroll the child under the policy
34 or contract if the parent who is the covered employee fails to enroll
35 the child; and

36 (3) Not terminate coverage of the child unless the parent who is
37 the covered employee provides the carrier with satisfactory written
38 evidence that: the court or administrative order is no longer in
39 effect; or the child is or will be enrolled in a comparable health
40 benefits plan whose coverage will be effective on the date of the
41 termination of coverage.

42 (cf: P.L.1995, c.288, s.9)

43

44 8. Section 13 of P.L.1995, c.288 (C.26:2J-10.1) is amended to
45 read as follows:

46 13. a. A health maintenance organization contract or certificate
47 in which dependent coverage is available shall continue to make
48 that coverage available for an adult child until the child turns 26

1 years of age. A contract or certificate shall not deny coverage for
2 an enrollee's child for health care services on the grounds that:

3 (1) The child was born out of wedlock;

4 (2) The child is not claimed as a dependent on the enrollee's
5 federal tax return; **【or】**

6 (3) The child does not reside with the enrollee or in the health
7 maintenance organization's service area, provided that the child
8 complies with the terms and conditions of the coverage with respect
9 to the use of specified providers;

10 (4) The child is married;

11 (5) The child has or adopts a child; or

12 (6) The child starts or leaves school.

13 b. If a child has coverage through a health maintenance
14 organization plan of a noncustodial parent, the health maintenance
15 organization shall:

16 (1) Provide such information to the custodial parent as may be
17 necessary for the child to obtain health care services through the
18 child's noncustodial parent's coverage;

19 (2) Permit the custodial parent, or the health care provider with
20 the authorization of the custodial parent, to submit claims for health
21 care services without the approval of the noncustodial parent; and

22 (3) Make payments on claims submitted in accordance with
23 paragraph (2) of this subsection directly to the custodial parent, the
24 health care provider or the Division of Medical Assistance and
25 Health Services in the Department of Human Services which
26 administers the State Medicaid program, as appropriate.

27 c. When a parent who is the enrollee is eligible for dependent
28 coverage and is required by a court or administrative order to
29 provide health insurance coverage for his child, the health
30 maintenance organization shall:

31 (1) Permit the parent to enroll his child as a dependent, without
32 regard to any open enrollment **【season】** restrictions;

33 (2) Permit the child's other parent, or the Division of Medical
34 Assistance and Health Services as the State Medicaid agency or the
35 Division of Family Development as the State IV-D agency, in the
36 Department of Human Services, to enroll the child if the parent who
37 is the enrollee fails to enroll the child; and

38 (3) Not terminate coverage of the child unless the parent who is
39 the enrollee provides the health maintenance organization with
40 satisfactory written evidence that: the court or administrative order
41 is no longer in effect; or the child is or will be enrolled in a
42 comparable health benefits plan whose coverage will be effective
43 on the date of the termination of coverage.

44 (cf: P.L.1995, c.288, s.13)

45
46 9. This act shall take effect on the 90th day after enactment.

STATEMENT

3 This bill requires health insurers (health, hospital and medical
4 service corporations, commercial group health insurers; health
5 maintenance organizations, and health benefits plans issued pursuant
6 to the Individual Health Coverage Program and the Small Employer
7 Health Benefits Program) and group health plans that provide
8 dependent coverage of children to continue to make that coverage
9 available for adult children until the children turn 26 years of age. The
10 bill also provides that health insurers and group health plans may not
11 deny coverage for a covered individual's child on the grounds that the
12 child is married, the child has or adopts a child, or the child starts or
13 leaves school.

WITHDRAWN