

[First Reprint]
ASSEMBLY, No. 2506

STATE OF NEW JERSEY

INTRODUCED NOVEMBER 14, 1996

By Assemblywoman HECK, Assemblymen DeCroce, Bagger,
Lance, Barnes, Assemblywoman Buono, Assemblymen Bucco
and Bodine

1 AN ACT concerning coverage for foods and food products for
2 inherited metabolic diseases and supplementing P.L.1938, c.366
3 (C.17:48-1 et seq.), P.L.1940, c.74 (C.17:48A-1 et seq.), P.L.1985,
4 c.236 (C.17:48E-1 et seq.), chapter 26 of Title 17B of the New
5 Jersey Statutes, chapter 27 of Title 17B of the New Jersey Statutes,
6 P.L.1992, c.161 (C.17B:27A-2 et seq.), P.L.1992, c.162
7 (C.17B:27A-17 et seq.) ¹[and],¹ P.L.1973, c.337 (C.26:2J-1 et
8 seq.) ¹and P.L.1961, c.49 (C.52:14-17.25 et seq.)¹.

9
10 **BE IT ENACTED** by the Senate and General Assembly of the State
11 of New Jersey:

12
13 1. No group or individual hospital service corporation contract
14 providing hospital or medical expense benefits shall be delivered,
15 issued, executed or renewed in this State, or approved for issuance or
16 renewal in this State by the Commissioner of Banking and Insurance
17 on or after the effective date of this act, unless the contract provides
18 benefits to each person covered thereunder for expenses incurred in
19 the therapeutic treatment of inherited metabolic diseases, including the
20 purchase of medical foods and low protein modified food products,
21 when diagnosed and determined to be medically necessary by the
22 covered person's physician.

23 For the purposes of this section, "inherited metabolic disease"
24 means a disease caused by an inherited abnormality of body chemistry
25 ¹[and includes those diseases]¹ for which testing is mandated pursuant
26 to P.L.1977, c.321 (C.26:2-110 et seq.); "low protein modified food
27 product" means a food product that is specially formulated to have less
28 than one gram of protein per serving and is intended to be used under
29 the direction of a physician for the dietary treatment of an inherited

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Assembly AIN committee amendments adopted December 11, 1997.

1 metabolic disease, but does not include a natural food that is naturally
2 low in protein; and "medical food" means a food that is intended for
3 the dietary treatment of a disease or condition for which nutritional
4 requirements are established by medical evaluation and is formulated
5 to be consumed or administered enterally under direction of a
6 physician.

7 The benefits shall be provided to the same extent as for any other
8 medical condition under the contract.

9 The provisions of this section shall apply to all contracts in which
10 the hospital service corporation has reserved the right to change the
11 premium.

12

13 2. No group or individual medical service corporation contract
14 providing hospital or medical expense benefits shall be delivered,
15 issued, executed or renewed in this State, or approved for issuance or
16 renewal in this State by the Commissioner of Banking and Insurance
17 on or after the effective date of this act, unless the contract provides
18 benefits to each person covered thereunder for expenses incurred in
19 the therapeutic treatment of inherited metabolic diseases, including the
20 purchase of medical foods and low protein modified food products,
21 when diagnosed and determined to be medically necessary by the
22 covered person's physician.

23 For the purposes of this section, "inherited metabolic disease"
24 means a disease caused by an inherited abnormality of body chemistry
25 ¹[and includes those diseases]¹ for which testing is mandated pursuant
26 to P.L.1977, c.321 (C.26:2-110 et seq.); "low protein modified food
27 product" means a food product that is specially formulated to have less
28 than one gram of protein per serving and is intended to be used under
29 the direction of a physician for the dietary treatment of an inherited
30 metabolic disease, but does not include a natural food that is naturally
31 low in protein; and "medical food" means a food that is intended for
32 the dietary treatment of a disease or condition for which nutritional
33 requirements are established by medical evaluation and is formulated
34 to be consumed or administered enterally under direction of a
35 physician.

36 The benefits shall be provided to the same extent as for any other
37 medical condition under the contract.

38 The provisions of this section shall apply to all contracts in which
39 the medical service corporation has reserved the right to change the
40 premium.

41

42 3. No group or individual health service corporation contract
43 providing hospital or medical expense benefits shall be delivered,
44 issued, executed or renewed in this State, or approved for issuance or
45 renewal in this State by the Commissioner of Banking and Insurance
46 on or after the effective date of this act, unless the contract provides

1 benefits to each person covered thereunder for expenses incurred in
2 the therapeutic treatment of inherited metabolic diseases, including the
3 purchase of medical foods and low protein modified food products,
4 when diagnosed and determined to be medically necessary by the
5 covered person's physician.

6 For the purposes of this section, "inherited metabolic disease"
7 means a disease caused by an inherited abnormality of body chemistry
8 ¹[and includes those diseases]¹ for which testing is mandated pursuant
9 to P.L.1977, c.321 (C.26:2-110 et seq.); "low protein modified food
10 product" means a food product that is specially formulated to have less
11 than one gram of protein per serving and is intended to be used under
12 the direction of a physician for the dietary treatment of an inherited
13 metabolic disease, but does not include a natural food that is naturally
14 low in protein; and "medical food" means a food that is intended for
15 the dietary treatment of a disease or condition for which nutritional
16 requirements are established by medical evaluation and is formulated
17 to be consumed or administered enterally under direction of a
18 physician.

19 The benefits shall be provided to the same extent as for any other
20 medical condition under the contract.

21 The provisions of this section shall apply to all contracts in which
22 the health service corporation has reserved the right to change the
23 premium.

24

25 4. No individual health insurance policy providing hospital or
26 medical expense benefits shall be delivered, issued, executed or
27 renewed in this State, or approved for issuance or renewal in this State
28 by the Commissioner of Banking and Insurance on or after the
29 effective date of this act, unless the policy provides benefits to each
30 person covered thereunder for expenses incurred in the therapeutic
31 treatment of inherited metabolic diseases, including the purchase of
32 medical foods and low protein modified food products, when
33 diagnosed and determined to be medically necessary by the covered
34 person's physician.

35 For the purposes of this section, "inherited metabolic disease"
36 means a disease caused by an inherited abnormality of body chemistry
37 ¹[and includes those diseases]¹ for which testing is mandated pursuant
38 to P.L.1977, c.321 (C.26:2-110 et seq.); "low protein modified food
39 product" means a food product that is specially formulated to have less
40 than one gram of protein per serving and is intended to be used under
41 the direction of a physician for the dietary treatment of an inherited
42 metabolic disease, but does not include a natural food that is naturally
43 low in protein; and "medical food" means a food that is intended for
44 the dietary treatment of a disease or condition for which nutritional
45 requirements are established by medical evaluation and is formulated
46 to be consumed or administered enterally under direction of a

1 physician.

2 The benefits shall be provided to the same extent as for any other
3 medical condition under the policy.

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

6

7 5. No group health insurance policy providing hospital or medical
8 expense benefits shall be delivered, issued, executed or renewed in this
9 State, or approved for issuance or renewal in this State by the
10 Commissioner of Banking and Insurance on or after the effective date
11 of this act, unless the policy provides benefits to each person covered
12 thereunder for expenses incurred in the therapeutic treatment of
13 inherited metabolic diseases, including the purchase of medical foods
14 and low protein modified food products, when diagnosed and
15 determined to be medically necessary by the covered person's
16 physician.

17 For the purposes of this section, "inherited metabolic disease"
18 means a disease caused by an inherited abnormality of body chemistry
19 ¹[and includes those diseases]¹ for which testing is mandated pursuant
20 to P.L.1977, c.321 (C.26:2-110 et seq.); "low protein modified food
21 product" means a food product that is specially formulated to have less
22 than one gram of protein per serving and is intended to be used under
23 the direction of a physician for the dietary treatment of an inherited
24 metabolic disease, but does not include a natural food that is naturally
25 low in protein; and "medical food" means a food that is intended for
26 the dietary treatment of a disease or condition for which nutritional
27 requirements are established by medical evaluation and is formulated
28 to be consumed or administered enterally under direction of a
29 physician.

30 The benefits shall be provided to the same extent as for any other
31 medical condition under the policy.

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

34

35 6. No individual health benefits plan subject to the provisions of
36 P.L.1992, c.161 (C.17B:27A-2 et seq.) shall be delivered, issued,
37 executed or renewed in this State, or approved for issuance or renewal
38 in this State on or after the effective date of this act, unless the health
39 benefits plan provides benefits to each person covered thereunder for
40 expenses incurred in the therapeutic treatment of inherited metabolic
41 diseases, including the purchase of medical foods and low protein
42 modified food products, when diagnosed and determined to be
43 medically necessary by the covered person's physician.

44 For the purposes of this section, "inherited metabolic disease"
45 means a disease caused by an inherited abnormality of body chemistry
46 ¹[and includes those diseases]¹ for which testing is mandated pursuant

1 to P.L.1977, c.321 (C.26:2-110 et seq.); "low protein modified food
2 product" means a food product that is specially formulated to have less
3 than one gram of protein per serving and is intended to be used under
4 the direction of a physician for the dietary treatment of an inherited
5 metabolic disease, but does not include a natural food that is naturally
6 low in protein; and "medical food" means a food that is intended for
7 the dietary treatment of a disease or condition for which nutritional
8 requirements are established by medical evaluation and is formulated
9 to be consumed or administered enterally under direction of a
10 physician.

11 The benefits shall be provided to the same extent as for any other
12 medical condition under the health benefits plan.

13 The provisions of this section shall apply to all health benefits plans
14 in which the carrier has reserved the right to change the premium.
15

16 7. No small employer health benefits plan subject to the provisions
17 of P.L.1992, c.162 (C.17B:27A-17 et seq.) shall be delivered, issued,
18 executed or renewed in this State, or approved for issuance or renewal
19 in this State on or after the effective date of this act, unless the health
20 benefits plan provides benefits to each person covered thereunder for
21 expenses incurred in the therapeutic treatment of inherited metabolic
22 diseases, including the purchase of medical foods and low protein
23 modified food products, when diagnosed and determined to be
24 medically necessary by the covered person's physician.

25 For the purposes of this section, "inherited metabolic disease"
26 means a disease caused by an inherited abnormality of body chemistry
27 ¹[and includes those diseases] for which testing is mandated pursuant
28 to P.L.1977, c.321 (C.26:2-110 et seq.); "low protein modified food
29 product" means a food product that is specially formulated to have less
30 than one gram of protein per serving and is intended to be used under
31 the direction of a physician for the dietary treatment of an inherited
32 metabolic disease, but does not include a natural food that is naturally
33 low in protein; and "medical food" means a food that is intended for
34 the dietary treatment of a disease or condition for which nutritional
35 requirements are established by medical evaluation and is formulated
36 to be consumed or administered enterally under direction of a
37 physician.

38 The benefits shall be provided to the same extent as for any other
39 medical condition under the health benefits plan.

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

43 8. Notwithstanding any provision of law to the contrary, a
44 certificate of authority to establish and operate a health maintenance
45 organization in this State shall not be issued or continued by the
46 Commissioner of Health and Senior Services on or after the effective

1 date of this act unless the health maintenance organization provides
2 health care services to each enrollee for the therapeutic treatment of
3 inherited metabolic diseases, including the purchase of medical foods
4 and low protein modified food products, when diagnosed and
5 determined to be medically necessary by the enrollee's physician.

6 For the purposes of this section, "inherited metabolic disease"
7 means a disease caused by an inherited abnormality of body chemistry
8 ¹[and includes those diseases]¹ for which testing is mandated pursuant
9 to P.L.1977, c.321 (C.26:2-110 et seq.); "low protein modified food
10 product" means a food product that is specially formulated to have less
11 than one gram of protein per serving and is intended to be used under
12 the direction of a physician for the dietary treatment of an inherited
13 metabolic disease, but does not include a natural food that is naturally
14 low in protein; and "medical food" means a food that is intended for
15 the dietary treatment of a disease or condition for which nutritional
16 requirements are established by medical evaluation and is formulated
17 to be consumed or administered enterally under direction of a
18 physician.

19 The health care services shall be provided to the same extent as for
20 any other medical condition under the contract.

21 The provisions of this section shall apply to all contracts for health
22 care services by health maintenance organizations under which the
23 right to change the schedule of charges for enrollee coverage is
24 reserved.

25
26 ^{19.} The State Health Benefits Commission shall provide benefits to
27 each person covered under the State Health Benefits Program for the
28 therapeutic treatment of inherited metabolic diseases, including the
29 purchase of medical foods and low protein modified food products,
30 when diagnosed and determined to be medically necessary by the
31 covered person's physician.

32 For the purposes of this section, "inherited metabolic disease"
33 means a disease caused by an inherited abnormality of body chemistry
34 for which testing is mandated pursuant to P.L.1977, c.321 (C.26:2-
35 110 et seq.); "low protein modified food product" means a food
36 product that is specially formulated to have less than one gram of
37 protein per serving and is intended to be used under the direction of
38 a physician for the dietary treatment of an inherited metabolic disease,
39 but does not include a natural food that is naturally low in protein; and
40 "medical food" means a food that is intended for the dietary treatment
41 of a disease or condition for which nutritional requirements are
42 established by medical evaluation and is formulated to be consumed or
43 administered enterally under direction of a physician.

44 The health care services shall be provided to the same extent as for
45 any other medical condition under the program.¹

1 ¹[9.] 10.¹ This act shall take effect immediately.

2

3

4

5

6 Mandates health insurance coverage for foods and food products for

7 inherited metabolic diseases.