

ASSEMBLY STATE GOVERNMENT COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2593

with committee amendments

STATE OF NEW JERSEY

DATED: JANUARY 23, 1997

The Assembly State Government Committee reports favorably and with committee amendments Assembly Bill No. 2593.

This bill requires the State Health Benefits Commission to ensure that obstetrical benefits coverage of a mother and her newly born child under the State Health Benefits Program include a minimum of 48 hours of inpatient care following a vaginal delivery and a minimum of 96 hours of inpatient care following a cesarean section in a health care facility licensed pursuant to the "Health Care Facilities Planning Act", P.L.1971, c.136 (C.26:2H-1 et seq.). Upon receipt of notification that the woman will be or has been admitted to an inpatient facility, the carrier would be required to preauthorize inpatient care for the woman and her newly born child for the 48-hour or 96-hour period, as applicable. (This preauthorization requirement is to remain in effect until the provisions of Pub.L.104-204, the federal "Newborns' and Mothers' Health Protection Act of 1996" become operative on January 1, 1998.)

The bill provides that a contract providing coverage for post-delivery care to a mother and her newly born child in the home shall not be required to provide for a minimum of 48 hours and 96 hours, respectively, of inpatient care unless such inpatient care is determined to be medically necessary by the attending physician or is requested by the mother.

Finally, the bill requires the commission to notify employees regarding this coverage in any literature or correspondence sent to the employee and requires that the information shall be transmitted at the earlier of (1) the next mailing to the employee or (2) the next date on which a yearly informational packet is sent to the employee. The commission is to ensure that when the carrier receives information that a covered person is pregnant, the carrier shall promptly notify that person of the maternity benefits required by this bill.

This bill is identical to Senate Bill No.1361 (1R), now on second reading in the Senate. At its meeting on October 11, 1996, the Pension and Health Benefits Review Commission adopted a recommendation "that the Legislature enact S-1361 because it codifies the current regulations of the State Health Benefits Program."

COMMITTEE AMENMENTS

The committee adopted amendments to the bill to eliminate an obsolete reference in the notice provision to January 1, 1997.