

ASSEMBLY FINANCIAL INSTITUTIONS AND INSURANCE
COMMITTEE

STATEMENT TO
ASSEMBLY, No. 1708

with committee amendments

STATE OF NEW JERSEY

DATED: FEBRUARY 13, 2020

The Assembly Financial Institutions and Insurance Committee reports favorably and with committee amendments Assembly Bill No. 1708.

As amended, this bill requires workers' compensation and personal injury protection (PIP) coverage for the medical use of cannabis under certain circumstances.

The bill provides that personal injury protection automobile insurance benefits and workers' compensation benefits must include coverage for costs associated with the medical use of cannabis, provided that the insured or the employee is a qualifying patient authorized for the medical use of cannabis pursuant to the "Jake Honig Compassionate Use Medical Cannabis Act," P.L.2009, c.307 (C.24:6I-1 et al).

In addition, the bill provides that an employer or workers' compensation insurance carrier or private passenger automobile insurance carrier is not required to provide coverage or benefits for costs associated with the medical use of cannabis upon intervention by the federal government to enforce of the federal "Controlled Substances Act" (21 U.S.C. s.802 et seq.).

Lastly, the bill provides that an employer or insurer shall, if for any reason payment by the employer or insurer to the medical cannabis dispensary is not feasible, remit directly to the insured or employee the costs for any benefits associated with the medical use of cannabis upon proof of payment by the insurer to the medical cannabis dispensary.

This bill was pre-filed for introduction in the 2020-2021 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

COMMITTEE AMENDMENTS:

The committee amended the bill to:

1. Remove provisions of the bill that required workers' compensation or personal injury protection benefits coverage for costs associated with the medical use of cannabis only after at least

one other medication or treatment had been attempted and found to be unsuccessful in treating the patient's debilitating medical condition.

2. Provide that an employer or workers' compensation insurance carrier or private passenger automobile insurance carrier is not required to provide coverage or benefits for costs associated with the medical use of cannabis upon intervention by the federal government to enforce of the federal "Controlled Substances Act" (21 U.S.C. s.802 et seq.);

3. Provide that an employer or insurer shall, if for any reason payment by the employer or insurer to the medical cannabis dispensary is not feasible, remit directly to the insured or employee the costs for any benefits associated with the medical use of cannabis upon proof of payment by the insurer to the medical cannabis dispensary; and

4. Make certain technical changes.