

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR **SENATE, No. 1097**

STATE OF NEW JERSEY

DATED: DECEMBER 9, 2024

The Senate Budget and Appropriations Committee reports favorably the Senate Committee Substitute for Senate Bill No. 1097.

This bill requires health insurance carriers (health, hospital and medical service corporations, health maintenance organizations, and insurance companies), the State Health Benefits Program, the School Employees' Health Benefits Program, and the State Medicaid and NJ FamilyCare programs to provide coverage for expenses incurred in planned home childbirth. The required coverage is to include, but not be limited to, costs associated with services provided by a health care provider, services provided by a doula, and equipment and medical supplies.

Under the bill, a "health care provider" is defined to mean an individual or entity which, acting within the scope of its licensure or certification, provides health care services. The term includes a family practice physician, obstetrician, advanced practice nurse, registered professional nurse, licensed practical nurse, certified professional midwife, certified nurse midwife, or certified midwife.

FISCAL IMPACT:

The Office of Legislative Services (OLS) estimates that this bill will annually increase combined State and local government expenditures by \$3,400 by requiring the State Health Benefits Program and the School Employees' Health Benefits Program to provide coverage for doula services associated with home childbirths.

The OLS estimates that annual State costs associated with the State Medicaid program, known as NJ FamilyCare, may potentially decrease by an indeterminate amount because of the potentially lower costs for home childbirths when compared to the facility fees, medical equipment, and medical staff typically associated with a hospital birth.

The OLS finds the bill's requirement that the Department of Banking and Insurance establish certain regulations and reporting related to the expanded health coverage may result in an indeterminate annual State cost increase.