

# ASSEMBLY, No. 4355

## STATE OF NEW JERSEY 214th LEGISLATURE

INTRODUCED NOVEMBER 28, 2011

**Sponsored by:**

**Assemblywoman L. GRACE SPENCER**

**District 29 (Essex and Union)**

**SYNOPSIS**

Requires health benefits coverage for telemedicine services.

**CURRENT VERSION OF TEXT**

As introduced.



1 AN ACT concerning health benefits coverage for telemedicine  
2 services and supplementing various parts of the statutory law.

3

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

6

7 1. Notwithstanding any other provision of law to the contrary,  
8 every hospital service corporation contract that provides hospital  
9 and medical expense benefits and is delivered, issued, executed, or  
10 renewed in this State pursuant to P.L.1938, c.366 (C.17:48-1 et  
11 seq.), or approved for issuance or renewal in this State by the  
12 Commissioner of Banking and Insurance, on or after the effective  
13 date of this act, shall provide coverage pursuant to the provisions of  
14 this section.

15 a. The hospital service corporation shall provide coverage for  
16 telemedicine services that are determined medically necessary by a  
17 health care professional and are for health care services that the  
18 health care professional determines can be appropriately provided  
19 in the form of telemedicine services.

20 b. As used in this section:

21 "Health care professional" means a person licensed or otherwise  
22 authorized pursuant to Title 45 or Title 52 of the Revised Statutes to  
23 practice a health care profession that is regulated by the Director of  
24 the Division of Consumer Affairs in the Department of Law and  
25 Public Safety or by a professional and occupational licensing board  
26 within the division.

27 "Telemedicine services" means the use of interactive audio,  
28 video, or other telecommunications technology by a health care  
29 professional to deliver health care services within the scope of the  
30 health care professional's practice at a site other than the site where  
31 the patient is located. "Telemedicine services" shall include the use  
32 of electronic media for consultation relating to the health care  
33 diagnosis or treatment of the patient, as well as for actual treatment  
34 of the patient, but shall not include an audio-only telephone  
35 conversation, electronic mail message, or facsimile transmission  
36 between a health care professional and a patient.

37 "To the same extent" means that the hospital service corporation  
38 cannot apply different copayments, deductibles, or health care  
39 services limits to telemedicine services than those applied to health  
40 care services provided through face-to-face consultation or contact  
41 between a covered person and a health care professional for the  
42 same condition under the contract.

43 c. The benefits provided pursuant to this section shall be  
44 provided to the same extent as for health care services provided  
45 through face-to-face consultation or contact between a covered  
46 person and a health care professional for the same condition under  
47 the contract.

48 d. The coverage required under this section may be subject to

1 utilization review, including periodic review, by the hospital service  
2 corporation of the continued medical necessity of the telemedicine  
3 services; but coverage shall not be denied solely because the  
4 services being provided are telemedicine services.

5 e. Nothing in this section shall be construed to change the  
6 manner in which the hospital service corporation determines:

7 (1) whether a health care service meets the medical necessity  
8 standard as established by the hospital service corporation; or

9 (2) which providers shall be entitled to reimbursement or to be  
10 participating providers, as appropriate, for health care services  
11 under the contract.

12 f. The provisions of this section shall apply to all contracts in  
13 which the hospital service corporation has reserved the right to  
14 change the premium.  
15

16 2. Notwithstanding any other provision of law to the contrary,  
17 every medical service corporation contract that provides hospital  
18 and medical expense benefits and is delivered, issued, executed, or  
19 renewed in this State pursuant to P.L.1940, c.74 (C.17:48A-1 et  
20 seq.), or approved for issuance or renewal in this State by the  
21 Commissioner of Banking and Insurance, on or after the effective  
22 date of this act, shall provide coverage pursuant to the provisions of  
23 this section.

24 a. The medical service corporation shall provide coverage for  
25 telemedicine services that are determined medically necessary by a  
26 health care professional and are for health care services that the  
27 health care professional determines can be appropriately provided  
28 in the form of telemedicine services.

29 b. As used in this section:

30 "Health care professional" means a person licensed or otherwise  
31 authorized pursuant to Title 45 or Title 52 of the Revised Statutes to  
32 practice a health care profession that is regulated by the Director of  
33 the Division of Consumer Affairs in the Department of Law and  
34 Public Safety or by a professional and occupational licensing board  
35 within the division.

36 "Telemedicine services" means the use of interactive audio,  
37 video, or other telecommunications technology by a health care  
38 professional to deliver health care services within the scope of the  
39 health care professional's practice at a site other than the site where  
40 the patient is located, including the use of electronic media for  
41 consultation relating to the health care diagnosis or treatment of the  
42 patient. "Telemedicine services" shall include the use of electronic  
43 media for consultation relating to the health care diagnosis or  
44 treatment of the patient, as well as for actual treatment of the  
45 patient, but shall not include an audio-only telephone conversation,  
46 electronic mail message, or facsimile transmission between a health  
47 care professional and a patient.

1 "To the same extent" means that the medical service corporation  
2 cannot apply different copayments, deductibles, or health care  
3 services limits to telemedicine services than those applied to health  
4 care services provided through face-to-face consultation or contact  
5 between a covered person and a health care professional for the  
6 same condition under the contract.

7 c. The benefits provided pursuant to this section shall be  
8 provided to the same extent as for health care services provided  
9 through face-to-face consultation or contact between a covered  
10 person and a health care professional for the same condition under  
11 the contract.

12 d. The coverage required under this section may be subject to  
13 utilization review, including periodic review, by the medical service  
14 corporation of the continued medical necessity of the telemedicine  
15 services; but coverage shall not be denied solely because the  
16 services being provided are telemedicine services.

17 e. Nothing in this section shall be construed to change the  
18 manner in which the medical service corporation determines:

19 (1) whether a health care service meets the medical necessity  
20 standard as established by the medical service corporation; or

21 (2) which providers shall be entitled to reimbursement or to be  
22 participating providers, as appropriate, for health care services  
23 under the contract.

24 f. The provisions of this section shall apply to all contracts in  
25 which the medical service corporation has reserved the right to  
26 change the premium.

27

28 3. Notwithstanding any other provision of law to the contrary,  
29 every health service corporation contract that provides hospital and  
30 medical expense benefits and is delivered, issued, executed, or  
31 renewed in this State pursuant to P.L.1985, c.236 (C.17:48E-1 et  
32 seq.), or approved for issuance or renewal in this State by the  
33 Commissioner of Banking and Insurance, on or after the effective  
34 date of this act, shall provide coverage pursuant to the provisions of  
35 this section.

36 a. The health service corporation shall provide coverage for  
37 telemedicine services that are determined medically necessary by a  
38 health care professional and are for health care services that the  
39 health care professional determines can be appropriately provided  
40 in the form of telemedicine services.

41 b. As used in this section:

42 "Health care professional" means a person licensed or otherwise  
43 authorized pursuant to Title 45 or Title 52 of the Revised Statutes to  
44 practice a health care profession that is regulated by the Director of  
45 the Division of Consumer Affairs in the Department of Law and  
46 Public Safety or by a professional and occupational licensing board  
47 within the division.

48 "Telemedicine services" means the use of interactive audio,

1 video, or other telecommunications technology by a health care  
2 professional to deliver health care services within the scope of the  
3 health care professional's practice at a site other than the site where  
4 the patient is located, including the use of electronic media for  
5 consultation relating to the health care diagnosis or treatment of the  
6 patient. "Telemedicine services" shall include the use of electronic  
7 media for consultation relating to the health care diagnosis or  
8 treatment of the patient, as well as for actual treatment of the  
9 patient, but shall not include an audio-only telephone conversation,  
10 electronic mail message, or facsimile transmission between a health  
11 care professional and a patient.

12 "To the same extent" means that the health service corporation  
13 cannot apply different copayments, deductibles, or health care  
14 services limits to telemedicine services than those applied to health  
15 care services provided through face-to-face consultation or contact  
16 between a covered person and a health care professional for the  
17 same condition under the contract.

18 c. The benefits provided pursuant to this section shall be  
19 provided to the same extent as for health care services provided  
20 through face-to-face consultation or contact between a covered  
21 person and a health care professional for the same condition under  
22 the contract.

23 d. The coverage required under this section may be subject to  
24 utilization review, including periodic review, by the health service  
25 corporation of the continued medical necessity of the telemedicine  
26 services; but coverage shall not be denied solely because the  
27 services being provided are telemedicine services.

28 e. Nothing in this section shall be construed to change the  
29 manner in which the health service corporation determines:

30 (1) whether a health care service meets the medical necessity  
31 standard as established by the health service corporation; or

32 (2) which providers shall be entitled to reimbursement or to be  
33 participating providers, as appropriate, for health care services  
34 under the contract.

35 f. The provisions of this section shall apply to all contracts in  
36 which the health service corporation has reserved the right to  
37 change the premium.

38  
39 4. Notwithstanding any other provision of law to the contrary,  
40 every individual health insurance policy that provides hospital and  
41 medical expense benefits and is delivered, issued, executed, or  
42 renewed in this State pursuant to chapter 26 of Title 17B of the New  
43 Jersey Statutes, or approved for issuance or renewal in this State by  
44 the Commissioner of Banking and Insurance, on or after the  
45 effective date of this act, shall provide coverage pursuant to the  
46 provisions of this section.

47 a. The insurer shall provide coverage for telemedicine services  
48 that are determined medically necessary by a health care

1 professional and are for health care services that the health care  
2 professional determines can be appropriately provided in the form  
3 of telemedicine services.

4 b. As used in this section:

5 "Health care professional" means a person licensed or otherwise  
6 authorized pursuant to Title 45 or Title 52 of the Revised Statutes to  
7 practice a health care profession that is regulated by the Director of  
8 the Division of Consumer Affairs in the Department of Law and  
9 Public Safety or by a professional and occupational licensing board  
10 within the division.

11 "Telemedicine services" means the use of interactive audio,  
12 video, or other telecommunications technology by a health care  
13 professional to deliver health care services within the scope of the  
14 health care professional's practice at a site other than the site where  
15 the patient is located, including the use of electronic media for  
16 consultation relating to the health care diagnosis or treatment of the  
17 patient. "Telemedicine services" shall include the use of electronic  
18 media for consultation relating to the health care diagnosis or  
19 treatment of the patient, as well as for actual treatment of the  
20 patient, but shall not include an audio-only telephone conversation,  
21 electronic mail message, or facsimile transmission between a health  
22 care professional and a patient.

23 "To the same extent" means that the insurer cannot apply  
24 different copayments, deductibles, or health care services limits to  
25 telemedicine services than those applied to health care services  
26 provided through face-to-face consultation or contact between a  
27 covered person and a health care professional for the same  
28 condition under the policy.

29 c. The benefits provided pursuant to this section shall be  
30 provided to the same extent as for health care services provided  
31 through face-to-face consultation or contact between a covered  
32 person and a health care professional for the same condition under  
33 the policy.

34 d. The coverage required under this section may be subject to  
35 utilization review, including periodic review, by the insurer of the  
36 continued medical necessity of the telemedicine services; but  
37 coverage shall not be denied solely because the services being  
38 provided are telemedicine services.

39 e. Nothing in this section shall be construed to change the  
40 manner in which the insurer determines:

41 (1) whether a health care service meets the medical necessity  
42 standard as established by the insurer; or

43 (2) which providers shall be entitled to reimbursement or to be  
44 participating providers, as appropriate, for health care services  
45 under the policy.

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

1       5. Notwithstanding any other provision of law to the contrary,  
2 every group health insurance policy that provides hospital and  
3 medical expense benefits and is delivered, issued, executed, or  
4 renewed in this State pursuant to chapter 27 of Title 17B of the New  
5 Jersey Statutes, or approved for issuance or renewal in this State by  
6 the Commissioner of Banking and Insurance, on or after the  
7 effective date of this act, shall provide coverage pursuant to the  
8 provisions of this section.

9       a. The insurer shall provide coverage for telemedicine services  
10 that are determined medically necessary by a health care  
11 professional and are for health care services that the health care  
12 professional determines can be appropriately provided in the form  
13 of telemedicine services.

14       b. As used in this section:

15       “Health care professional” means a person licensed or otherwise  
16 authorized pursuant to Title 45 or Title 52 of the Revised Statutes to  
17 practice a health care profession that is regulated by the Director of  
18 the Division of Consumer Affairs in the Department of Law and  
19 Public Safety or by a professional and occupational licensing board  
20 within the division.

21       “Telemedicine services” means the use of interactive audio,  
22 video, or other telecommunications technology by a health care  
23 professional to deliver health care services within the scope of the  
24 health care professional’s practice at a site other than the site where  
25 the patient is located, including the use of electronic media for  
26 consultation relating to the health care diagnosis or treatment of the  
27 patient. “Telemedicine services” shall include the use of electronic  
28 media for consultation relating to the health care diagnosis or  
29 treatment of the patient, as well as for actual treatment of the  
30 patient, but shall not include an audio-only telephone conversation,  
31 electronic mail message, or facsimile transmission between a health  
32 care professional and a patient.

33       “To the same extent” means that the insurer cannot apply  
34 different copayments, deductibles, or health care services limits to  
35 telemedicine services than those applied to health care services  
36 provided through face-to-face consultation or contact between a  
37 covered person and a health care professional for the same  
38 condition under the policy.

39       c. The benefits provided pursuant to this section shall be  
40 provided to the same extent as for health care services provided  
41 through face-to-face consultation or contact between a covered  
42 person and a health care professional for the same condition under  
43 the policy.

44       d. The coverage required under this section may be subject to  
45 utilization review, including periodic review, by the insurer of the  
46 continued medical necessity of the telemedicine services; but  
47 coverage shall not be denied solely because the services being  
48 provided are telemedicine services.

1 e. Nothing in this section shall be construed to change the  
2 manner in which the insurer determines:

3 (1) whether a health care service meets the medical necessity  
4 standard as established by the insurer; or

5 (2) which providers shall be entitled to reimbursement or to be  
6 participating providers, as appropriate, for health care services  
7 under the policy.

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

10

11 6. Notwithstanding any other provision of law to the contrary,  
12 an individual health benefits plan that is delivered, issued, executed,  
13 renewed, or approved for issuance or renewal in this State pursuant  
14 to P.L.1992, c.161 (C.17B:27A-2 et seq.), or approved for issuance  
15 or renewal in this State by the Commissioner of Banking and  
16 Insurance, on or after the effective date of this act, shall provide  
17 coverage pursuant to the provisions of this section.

18 a. The carrier shall provide coverage for telemedicine services  
19 that are determined medically necessary by a health care  
20 professional and are for health care services that the health care  
21 professional determines can be appropriately provided in the form  
22 of telemedicine services.

23 b. As used in this section:

24 "Health care professional" means a person licensed or otherwise  
25 authorized pursuant to Title 45 or Title 52 of the Revised Statutes to  
26 practice a health care profession that is regulated by the Director of  
27 the Division of Consumer Affairs in the Department of Law and  
28 Public Safety or by a professional and occupational licensing board  
29 within the division.

30 "Telemedicine services" means the use of interactive audio,  
31 video, or other telecommunications technology by a health care  
32 professional to deliver health care services within the scope of the  
33 health care professional's practice at a site other than the site where  
34 the patient is located, including the use of electronic media for  
35 consultation relating to the health care diagnosis or treatment of the  
36 patient. "Telemedicine services" shall include the use of electronic  
37 media for consultation relating to the health care diagnosis or  
38 treatment of the patient, as well as for actual treatment of the  
39 patient, but shall not include an audio-only telephone conversation,  
40 electronic mail message, or facsimile transmission between a health  
41 care professional and a patient.

42 "To the same extent" means that the carrier cannot apply  
43 different copayments, deductibles, or health care services limits to  
44 telemedicine services than those applied to health care services  
45 provided through face-to-face consultation or contact between a  
46 covered person and a health care professional for the same  
47 condition under the health benefits plan.

48 c. The benefits provided pursuant to this section shall be



1 provided to the same extent as for health care services provided  
2 through face-to-face consultation or contact between a covered  
3 person and a health care professional for the same condition under  
4 the health benefits plan.

5 d. The coverage required under this section may be subject to  
6 utilization review, including periodic review, by the carrier of the  
7 continued medical necessity of the telemedicine services; but  
8 coverage shall not be denied solely because the services being  
9 provided are telemedicine services.

10 e. Nothing in this section shall be construed to change the  
11 manner in which the carrier determines:

12 (1) whether a health care service meets the medical necessity  
13 standard as established by the carrier; or

14 (2) which providers shall be entitled to reimbursement or to be  
15 participating providers, as appropriate, for health care services  
16 under the health benefits plan.

17 f. The provisions of this section shall apply to those health  
18 benefits plans in which the carrier has reserved the right to change  
19 the premium.

20

21 7. Notwithstanding any other provision of law to the contrary, a  
22 small employer health benefits plan that is delivered, issued,  
23 executed, renewed, or approved for issuance or renewal in this State  
24 pursuant to P.L.1992, c.162 (C.17B:27A-17 et seq.), or approved  
25 for issuance or renewal in this State by the Commissioner of  
26 Banking and Insurance, on or after the effective date of this act,  
27 shall provide coverage pursuant to the provisions of this section.

28 a. The carrier shall provide coverage for telemedicine services  
29 that are determined medically necessary by a health care  
30 professional and are for health care services that the health care  
31 professional determines can be appropriately provided in the form  
32 of telemedicine services.

33 b. As used in this section:

34 “Health care professional” means a person licensed or otherwise  
35 authorized pursuant to Title 45 or Title 52 of the Revised Statutes to  
36 practice a health care profession that is regulated by the Director of  
37 the Division of Consumer Affairs in the Department of Law and  
38 Public Safety or by a professional and occupational licensing board  
39 within the division.

40 “Telemedicine services” means the use of interactive audio,  
41 video, or other telecommunications technology by a health care  
42 professional to deliver health care services within the scope of the  
43 health care professional’s practice at a site other than the site where  
44 the patient is located, including the use of electronic media for  
45 consultation relating to the health care diagnosis or treatment of the  
46 patient. “Telemedicine services” shall include the use of electronic  
47 media for consultation relating to the health care diagnosis or  
48 treatment of the patient, as well as for actual treatment of the

1 patient, but shall not include an audio-only telephone conversation,  
2 electronic mail message, or facsimile transmission between a health  
3 care professional and a patient.

4 "To the same extent" means that the carrier cannot apply  
5 different copayments, deductibles, or health care services limits to  
6 telemedicine services than those applied to health care services  
7 provided through face-to-face consultation or contact between a  
8 covered person and a health care professional for the same  
9 condition under the health benefits plan.

10 c. The benefits provided pursuant to this section shall be  
11 provided to the same extent as for health care services provided  
12 through face-to-face consultation or contact between a covered  
13 person and a health care professional for the same condition under  
14 the health benefits plan.

15 d. The coverage required under this section may be subject to  
16 utilization review, including periodic review, by the carrier of the  
17 continued medical necessity of the telemedicine services; but  
18 coverage shall not be denied solely because the services being  
19 provided are telemedicine services.

20 e. Nothing in this section shall be construed to change the  
21 manner in which the carrier determines:

22 (1) whether a health care service meets the medical necessity  
23 standard as established by the carrier; or

24 (2) which providers shall be entitled to reimbursement or to be  
25 participating providers, as appropriate, for health care services  
26 under the health benefits plan.

27 f. The provisions of this section shall apply to those health  
28 benefits plans in which the carrier has reserved the right to change  
29 the premium.

30  
31 8. Notwithstanding any other provision of law to the contrary, a  
32 health maintenance organization enrollee agreement that provides  
33 health care services and is delivered, issued, executed, or renewed  
34 in this State pursuant to P.L.1973, c.337 (C.26:2J-1 et seq.), or  
35 approved for issuance or renewal in this State by the Commissioner  
36 of Banking and Insurance, on or after the effective date of this act,  
37 shall provide coverage pursuant to the provisions of this section.

38 a. The health maintenance organization shall provide coverage  
39 for telemedicine services that are determined medically necessary  
40 by a health care professional and are for health care services that  
41 the health care professional determines can be appropriately  
42 provided in the form of telemedicine services.

43 b. As used in this section:

44 "Health care professional" means a person licensed or otherwise  
45 authorized pursuant to Title 45 or Title 52 of the Revised Statutes to  
46 practice a health care profession that is regulated by the Director of  
47 the Division of Consumer Affairs in the Department of Law and

1 Public Safety or by a professional and occupational licensing board  
2 within the division.

3 "Telemedicine services" means the use of interactive audio,  
4 video, or other telecommunications technology by a health care  
5 professional to deliver health care services within the scope of the  
6 health care professional's practice at a site other than the site where  
7 the patient is located, including the use of electronic media for  
8 consultation relating to the health care diagnosis or treatment of the  
9 patient. "Telemedicine services" shall include the use of electronic  
10 media for consultation relating to the health care diagnosis or  
11 treatment of the patient, as well as for actual treatment of the  
12 patient, but shall not include an audio-only telephone conversation,  
13 electronic mail message, or facsimile transmission between a health  
14 care professional and a patient.

15 "To the same extent" means that the health maintenance  
16 organization cannot apply different copayments, deductibles, or  
17 health care services limits to telemedicine services than those  
18 applied to health care services provided through face-to-face  
19 consultation or contact between a covered person and a health care  
20 professional for the same condition under the enrollee agreement.

21 c. The benefits provided pursuant to this section shall be  
22 provided to the same extent as for health care services provided  
23 through face-to-face consultation or contact between a covered  
24 person and a health care professional for the same condition under  
25 the enrollee agreement.

26 d. The coverage required under this section may be subject to  
27 utilization review, including periodic review, by the health  
28 maintenance organization of the continued medical necessity of the  
29 telemedicine services; but coverage shall not be denied solely  
30 because the services being provided are telemedicine services.

31 e. Nothing in this section shall be construed to change the  
32 manner in which the health maintenance organization determines:

33 (1) whether a health care service meets the medical necessity  
34 standard as established by the health maintenance organization; or

35 (2) which providers shall be entitled to reimbursement or to be  
36 participating providers, as appropriate, for health care services  
37 under the enrollee agreement.

38 f. The provisions of this section shall apply to those enrollee  
39 agreements in which the health maintenance organization has  
40 reserved the right to change the premium.

41

42 9. Notwithstanding any other provision of law to the contrary,  
43 the State Health Benefits Commission shall ensure that every  
44 contract purchased by the commission on or after the effective date  
45 of this act shall provide coverage pursuant to the provisions of this  
46 section.

47 a. The contract shall provide coverage for telemedicine services  
48 that are determined medically necessary by a health care

1 professional and are for health care services that the health care  
2 professional determines can be appropriately provided in the form  
3 of telemedicine services.

4 b. As used in this section:

5 "Health care professional" means a person licensed or otherwise  
6 authorized pursuant to Title 45 or Title 52 of the Revised Statutes to  
7 practice a health care profession that is regulated by the Director of  
8 the Division of Consumer Affairs in the Department of Law and  
9 Public Safety or by a professional and occupational licensing board  
10 within the division.

11 "Telemedicine services" means the use of interactive audio,  
12 video, or other telecommunications technology by a health care  
13 professional to deliver health care services within the scope of the  
14 health care professional's practice at a site other than the site where  
15 the patient is located, including the use of electronic media for  
16 consultation relating to the health care diagnosis or treatment of the  
17 patient. "Telemedicine services" shall include the use of electronic  
18 media for consultation relating to the health care diagnosis or  
19 treatment of the patient, as well as for actual treatment of the  
20 patient, but shall not include an audio-only telephone conversation,  
21 electronic mail message, or facsimile transmission between a health  
22 care professional and a patient.

23 "To the same extent" means that the contract cannot apply  
24 different copayments, deductibles, or health care services limits to  
25 telemedicine services than those applied to health care services  
26 provided through face-to-face consultation or contact between a  
27 covered person and a health care professional for the same  
28 condition under the contract.

29 c. The benefits provided pursuant to this section shall be  
30 provided to the same extent as for health care services provided  
31 through face-to-face consultation or contact between a covered  
32 person and a health care professional for the same condition under  
33 the contract.

34 d. The coverage required under this section may be subject to  
35 utilization review, including periodic review, by the commission or  
36 its agent of the continued medical necessity of the telemedicine  
37 services; but coverage shall not be denied solely because the  
38 services being provided are telemedicine services.

39 e. Nothing in this section shall be construed to change the  
40 manner in which the commission or its agent determines:

41 (1) whether a health care service meets the medical necessity  
42 standard as established by the commission or its agent; or

43 (2) which providers shall be entitled to reimbursement or to be  
44 participating providers, as appropriate, for health care services  
45 under the contract.

46

47 10. Notwithstanding any other provision of law to the contrary,  
48 the School Employees' Health Benefits Commission shall ensure

1 that every contract purchased by the commission on or after the  
2 effective date of this act shall provide coverage pursuant to the  
3 provisions of this section.

4 a. The contract shall provide coverage for telemedicine services  
5 that are determined medically necessary by a health care  
6 professional and are for health care services that the health care  
7 professional determines can be appropriately provided in the form  
8 of telemedicine services.

9 b. As used in this section:

10 "Health care professional" means a person licensed or otherwise  
11 authorized pursuant to Title 45 or Title 52 of the Revised Statutes to  
12 practice a health care profession that is regulated by the Director of  
13 the Division of Consumer Affairs in the Department of Law and  
14 Public Safety or by a professional and occupational licensing board  
15 within the division.

16 "Telemedicine services" means the use of interactive audio,  
17 video, or other telecommunications technology by a health care  
18 professional to deliver health care services within the scope of the  
19 health care professional's practice at a site other than the site where  
20 the patient is located, including the use of electronic media for  
21 consultation relating to the health care diagnosis or treatment of the  
22 patient. "Telemedicine services" shall include the use of electronic  
23 media for consultation relating to the health care diagnosis or  
24 treatment of the patient, as well as for actual treatment of the  
25 patient, but shall not include an audio-only telephone conversation,  
26 electronic mail message, or facsimile transmission between a health  
27 care professional and a patient.

28 "To the same extent" means that the contract cannot apply  
29 different copayments, deductibles, or health care services limits to  
30 telemedicine services than those applied to health care services  
31 provided through face-to-face consultation or contact between a  
32 covered person and a health care professional for the same  
33 condition under the contract.

34 c. The benefits provided pursuant to this section shall be  
35 provided to the same extent as for health care services provided  
36 through face-to-face consultation or contact between a covered  
37 person and a health care professional for the same condition under  
38 the contract.

39 d. The coverage required under this section may be subject to  
40 utilization review, including periodic review, by the commission or  
41 its agent of the continued medical necessity of the telemedicine  
42 services; but coverage shall not be denied solely because the  
43 services being provided are telemedicine services.

44 e. Nothing in this section shall be construed to change the  
45 manner in which the commission or its agent determines:

46 (1) whether a health care service meets the medical necessity  
47 standard as established by the commission or its agent; or

48 (2) which providers shall be entitled to reimbursement or to be

1 participating providers, as appropriate, for health care services  
2 under the contract.

3

4 11. The Commissioner of Human Services shall ensure that the  
5 Medicaid program, established pursuant to P.L.1968, c.413  
6 (C.30:4D-1 et seq.), and the NJ FamilyCare Program, established  
7 pursuant to section 3 of P.L.2005, c.156 (C.30:4J-10), provide  
8 benefits pursuant to the provisions of this section.

9 a. Each program shall provide benefits for telemedicine services  
10 that are determined medically necessary by a health care  
11 professional and are for health care services that the health care  
12 professional determines can be appropriately provided in the form  
13 of telemedicine services.

14 b. As used in this section:

15 "Health care professional" means a person licensed or otherwise  
16 authorized pursuant to Title 45 or Title 52 of the Revised Statutes to  
17 practice a health care profession that is regulated by the Director of  
18 the Division of Consumer Affairs in the Department of Law and  
19 Public Safety or by a professional and occupational licensing board  
20 within the division.

21 "Telemedicine services" means the use of interactive audio,  
22 video, or other telecommunications technology by a health care  
23 professional to deliver health care services within the scope of the  
24 health care professional's practice at a site other than the site where  
25 the patient is located, including the use of electronic media for  
26 consultation relating to the health care diagnosis or treatment of the  
27 patient. "Telemedicine services" shall include the use of electronic  
28 media for consultation relating to the health care diagnosis or  
29 treatment of the patient, as well as for actual treatment of the  
30 patient, but shall not include an audio-only telephone conversation,  
31 electronic mail message, or facsimile transmission between a health  
32 care professional and a patient.

33 "To the same extent" means that each program cannot apply  
34 different copayments, deductibles, or health care services limits to  
35 telemedicine services than those applied to health care services  
36 provided through face-to-face consultation or contact between a  
37 covered person and a health care professional for the same  
38 condition.

39 c. The benefits provided pursuant to this section shall be  
40 provided to the same extent as for health care services provided  
41 through face-to-face consultation or contact between a covered  
42 person and a health care professional for the same condition.

43 d. The coverage required under this section may be subject to  
44 utilization review, including periodic review, by each program of  
45 the continued medical necessity of the telemedicine services; but  
46 coverage shall not be denied solely because the services being  
47 provided are telemedicine services.

1 e. Nothing in this section shall be construed to change the  
2 manner in which each program determines:

3 (1) whether a health care service meets the medical necessity  
4 standard as established by the program; or

5 (2) which providers shall be entitled to reimbursement or to be  
6 participating providers, as appropriate, for health care services  
7 under the program.

8

9 12. This act shall take effect on the 90th day after enactment and  
10 shall apply to policies or contracts issued or renewed on or after the  
11 effective date.

12

13

14

STATEMENT

15

16 This bill requires health insurers and State medical assistance  
17 programs to provide health benefits coverage for telemedicine  
18 services.

19 The bill provides specifically as follows:

20 • Its provisions apply to: health, hospital and medical service  
21 corporations; commercial individual and group health insurers;  
22 health maintenance organizations; health benefits plans issued  
23 pursuant to the New Jersey Individual Health Coverage and Small  
24 Employer Health Benefits Programs; the State Health Benefits  
25 Program; the School Employees' Health Benefits Program;  
26 Medicaid; and the NJ FamilyCare Program.

27 • The insurer or program is to provide coverage for telemedicine  
28 services that are determined medically necessary by a licensed  
29 health care professional and are for health care services that the  
30 health care professional determines can be appropriately provided  
31 in the form of telemedicine services.

32 • The bill defines "telemedicine services" to mean the use of  
33 interactive audio, video, or other telecommunications technology  
34 by a health care professional to deliver health care services within  
35 the scope of the health care professional's practice at a site other  
36 than the site where the patient is located. The definition of  
37 "telemedicine services" includes the use of electronic media for  
38 consultation relating to the health care diagnosis or treatment of  
39 the patient, as well as for actual treatment of the patient, but does  
40 not include an audio-only telephone conversation, electronic mail  
41 message, or facsimile transmission between a health care  
42 professional and a patient.

43 • The benefits provided pursuant to the bill are to be provided to  
44 the same extent as for health care services provided through face-  
45 to-face consultation or contact between a covered person and a  
46 health care professional for the same condition under the health  
47 care plan (meaning that the insurer cannot apply different  
48 copayments, deductibles, or health care services limits to

- 1 telemedicine services than those applied to health care services  
2 provided through face-to-face consultation or contact between a  
3 covered person and a health care professional for the same  
4 condition).
- 5 • The coverage required under this bill may be subject to utilization  
6 review, including periodic review, by the insurer or program of  
7 the continued medical necessity of the telemedicine services; but  
8 coverage is not to be denied solely because the services being  
9 provided are telemedicine services.
  - 10 • Nothing in the bill is to be construed to change the manner in  
11 which the insurer or program determines:
    - 12 -- whether a health care service meets the medical necessity  
13 standard as established by the insurer or program; or
    - 14 -- which providers are entitled to reimbursement or to be  
15 participating providers, as appropriate, for health care services  
16 under the health care plan.
  - 17 • The bill takes effect on the 90th day after enactment and applies  
18 to policies or contracts issued or renewed on or after the effective  
19 date.