

## CHAPTER 58

**AN ACT** concerning health insurance coverage for mental health conditions and substance use disorders, amending various parts of the statutory law and supplementing P.L.1997, c.192 (C.26:2S-1 et al.).

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

1. Section 1 of P.L.1999, c.106 (C.17:48-6v) is amended to read as follows:

C.17:48-6v Hospital service corporation to provide coverage for mental health conditions and substance use disorders.

1. a. (1) Every individual and group hospital service corporation contract that provides hospital or medical expense benefits and is delivered, issued, executed or renewed in this State pursuant to P.L.1938, c.366 (C.17:48-1 et seq.), or approved for issuance or renewal in this State by the Commissioner of Banking and Insurance, on or after the effective date of this act shall provide coverage for mental health conditions and substance use disorders under the same terms and conditions as provided for any other sickness under the contract and shall meet the requirements of the federal Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008, 42 U.S.C. s.18031(j), and any amendments to, and federal guidance or regulations issued under that act, including 45 C.F.R. Parts 146 and 147 and 45 C.F.R. s.156.115(a)(3).

- (2) As used in this section:

“Mental health condition” means a condition defined to be consistent with generally recognized independent standards of current medical practice referenced in the current version of the Diagnostic and Statistical Manual of Mental Disorders.

"Same terms and conditions" means that the hospital service corporation cannot apply more restrictive non-quantitative limitations, such as utilization review and other criteria or more quantitative limitations such as copayments, deductibles, aggregate or annual limits or benefit limits to mental health condition and substance use disorder benefits than those applied to substantially all other medical or surgical benefits.

“Substance use disorder” means a disorder defined to be consistent with generally recognized independent standards of current medical practice referenced in the most current version of the Diagnostic and Statistical Manual of Mental Disorders.

- b. (Deleted by amendment, P.L.2019, c.58)

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

d. Nothing in this section shall reduce the requirement for a hospital service corporation to provide benefits pursuant to section 1 of P.L.2017, c.28 (C.17:48-6nn).

2. Section 2 of P.L.1999, c.106 (C.17:48A-7u) is amended to read as follows:

C.17:48A-7u Medical service corporation to provide coverage for mental health conditions and substance use disorders.

2. a. (1) Every individual and group medical service corporation contract that provides hospital or medical expense benefits that is delivered, issued, executed or renewed in this State pursuant to P.L.1940, c.74 (C.17:48A-1 et seq.), or approved for issuance or renewal in this State by the Commissioner of Banking and Insurance, on or after the effective date of this act shall provide coverage for mental health conditions and substance use disorders under the same terms and conditions as provided for any other sickness under the contract and shall meet the requirements of the federal Paul Wellstone and Pete Domenici Mental Health Parity and

Addiction Equity Act of 2008, 42 U.S.C. s.18031(j), and any amendments to, and federal guidance or regulations issued under that act, including 45 C.F.R. Parts 146 and 147 and 45 C.F.R. s.156.115(a)(3).

(2) As used in this section:

“Mental health condition” means a condition defined to be consistent with generally recognized independent standards of current medical practice referenced in the current version of the Diagnostic and Statistical Manual of Mental Disorders.

"Same terms and conditions" means that the medical service corporation cannot apply more restrictive non-quantitative limitations, such as utilization review and other criteria or more quantitative limitations such as copayments, deductibles, aggregate or annual limits or benefit limits to mental health condition and substance use disorder benefits than those applied to substantially all other medical or surgical benefits.

“Substance use disorder” means a disorder defined to be consistent with generally recognized independent standards of current medical practice referenced in the most current version of the Diagnostic and Statistical Manual of Mental Disorders.

b. (Deleted by amendment, P.L.2019, c.58)

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

d. Nothing in this section shall reduce the requirement for a medical service corporation to provide benefits pursuant to section 2 of P.L.2017, c.28 (C.17:48A-7kk).

3. Section 3 of P.L.1999, c.106 (C.17:48E-35.20) is amended to read as follows:

C.17:48E-35.20 Health service corporation to provide coverage for mental health conditions and substance use disorders.

3. a. (1) Every individual and group health service corporation contract that provides hospital or medical expense benefits and is delivered, issued, executed or renewed in this State pursuant to P.L.1985, c.236 (C.17:48E-1 et seq.), or approved for issuance or renewal in this State by the Commissioner of Banking and Insurance, on or after the effective date of this act shall provide coverage for mental health conditions and substance use disorders under the same terms and conditions as provided for any other sickness under the contract and shall meet the requirements of the federal Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008, 42 U.S.C. s.18031(j), and any amendments to, and federal guidance or regulations issued under that act, including 45 C.F.R. Parts 146 and 147 and 45 C.F.R. s.156.115(a)(3).

(2) As used in this section:

“Mental health condition” means a condition defined to be consistent with generally recognized independent standards of current medical practice referenced in the current version of the Diagnostic and Statistical Manual of Mental Disorders.

"Same terms and conditions" means that the health service corporation cannot apply more restrictive non-quantitative limitations, such as utilization review and other criteria or more quantitative limitations such as copayments, deductibles, aggregate or annual limits or benefit limits to mental health condition and substance use disorder benefits than those applied to substantially all other medical or surgical benefits.

“Substance use disorder” means a disorder defined to be consistent with generally recognized independent standards of current medical practice referenced in the most current version of the Diagnostic and Statistical Manual of Mental Disorders.

b. (Deleted by amendment, P.L.2019, c.58)

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

d. Nothing in this section shall reduce the requirement for a health service corporation to provide benefits pursuant to section 3 of P.L.2017, c.28 (C.17:48E-35.38).

4. Section 4 of P.L.1999, c.106 (C.17B:26-2.1s) is amended to read as follows:

C.17B:26-2.1s Individual health insurers to provide coverage for mental health conditions and substance use disorders.

4. a. (1) Every individual health insurance policy that provides hospital or medical expense benefits and is delivered, issued, executed or renewed in this State pursuant to chapter 26 of Title 17B of the New Jersey Statutes, or approved for issuance or renewal in this State by the Commissioner of Banking and Insurance, on or after the effective date of this act shall provide coverage for mental health conditions and substance use disorders under the same terms and conditions as provided for any other sickness under the contract and shall meet the requirements of the federal Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008, 42 U.S.C. s.18031(j), and any amendments to, and federal guidance or regulations issued under that act, including 45 C.F.R. Parts 146 and 147 and 45 C.F.R. s.156.115(a)(3).

(2) As used in this section:

“Mental health condition” means a condition defined to be consistent with generally recognized independent standards of current medical practice referenced in the current version of the Diagnostic and Statistical Manual of Mental Disorders.

"Same terms and conditions" means that the insurer cannot apply more restrictive non-quantitative limitations, such as utilization review and other criteria or more quantitative limitations such as copayments, deductibles, aggregate or annual limits or benefit limits to mental health condition and substance use disorder benefits than those applied to substantially all other medical or surgical benefits.

“Substance use disorder” means a disorder defined to be consistent with generally recognized independent standards of current medical practice referenced in the most current version of the Diagnostic and Statistical Manual of Mental Disorders.

b. (Deleted by amendment, P.L.2019, c.58)

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

d. Nothing in this section shall reduce the requirement for an insurer to provide benefits pursuant to section 4 of P.L.2017, c.28 (C.17B:26-2.1hh).

5. Section 5 of P.L.1999, c.106 (C.17B:27-46.1v) is amended to read as follows:

C.17B:27-46.1v Group health insurers to provide coverage for mental health conditions and substance use disorders.

5. a. (1) Every group health insurance policy that provides hospital or medical expense benefits and is delivered, issued, executed or renewed in this State pursuant to chapter 27 of Title 17B of the New Jersey Statutes, or approved for issuance or renewal in this State by the Commissioner of Banking and Insurance, on or after the effective date of this act shall provide benefits for mental health conditions and substance use disorders under the same terms and conditions as provided for any other sickness under the policy and shall meet the requirements of the federal Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of

2008, 42 U.S.C. s.18031(j), and any amendments to, and federal guidance or regulations issued under that act, including 45 C.F.R. Parts 146 and 147 and 45 C.F.R. s.156.115(a)(3).

(2) As used in this section:

“Mental health condition” means a condition defined to be consistent with generally recognized independent standards of current medical practice referenced in the current version of the Diagnostic and Statistical Manual of Mental Disorders.

"Same terms and conditions" means that the insurer cannot apply more restrictive non-quantitative limitations, such as utilization review and other criteria or more quantitative limitations such as copayments, deductibles, aggregate or annual limits or benefit limits to mental health condition and substance use disorder benefits than those applied to substantially all other medical or surgical benefits.

“Substance use disorder” means a disorder defined to be consistent with generally recognized independent standards of current medical practice referenced in the most current version of the Diagnostic and Statistical Manual of Mental Disorders.

b. (Deleted by amendment, P.L.2019, c.58)

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

d. Nothing in this section shall reduce the requirement for an insurer to provide benefits pursuant to section 5 of P.L.2017, c.28 (C.17B:27-46.1nn).

6. Section 6 of P.L.1999, c.106 (C.17B:27A-7.5) is amended to read as follows:

C.17B:27A-7.5 Individual health benefits plan to provide coverage for mental health conditions and substance use disorders.

6. a. (1) Every individual health benefits plan that provides hospital or medical expense benefits and is delivered, issued, executed or renewed in this State pursuant to P.L.1992, c.161 (C.17B:27A-2 et seq.) or approved for issuance or renewal in this State on or after the effective date of this act shall provide benefits for mental health conditions and substance use disorders under the same terms and conditions as provided for any other sickness under the health benefits plan and shall meet the requirements of the federal Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008, 42 U.S.C. s.18031(j), and any amendments to, and federal guidance or regulations issued under that act, including 45 C.F.R. Parts 146 and 147 and 45 C.F.R. s.156.115(a)(3).

(2) As used in this section:

“Mental health condition” means a condition defined to be consistent with generally recognized independent standards of current medical practice referenced in the current version of the Diagnostic and Statistical Manual of Mental Disorders.

"Same terms and conditions" means that the plan cannot apply more restrictive non-quantitative limitations, such as utilization review and other criteria or more quantitative limitations such as copayments, deductibles, aggregate or annual limits or benefit limits to mental health condition and substance use disorder benefits than those applied to substantially all other medical or surgical benefits.

“Substance use disorder” means a disorder defined to be consistent with generally recognized independent standards of current medical practice referenced in the most current version of the Diagnostic and Statistical Manual of Mental Disorders.

b. (Deleted by amendment, P.L.2019, c.58)

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

d. Nothing in this section shall reduce the requirement for a plan to provide benefits pursuant to section 6 of P.L.2017, c.28 (C.17B:27A-7.21).

7. Section 7 of P.L.1999, c.106 (C.17B:27A-19.7) is amended to read as follows:

C.17B:27A-19.7 Small employer health benefits plan to provide coverage for mental health conditions and substance use disorders.

7. a. (1) Every small employer health benefits plan that provides hospital or medical expense benefits and is delivered, issued, executed or renewed in this State pursuant to P.L.1992, c.162 (C.17B:27A-17 et seq.) or approved for issuance or renewal in this State on or after the effective date of this act shall provide benefits for mental health conditions and substance use disorders under the same terms and conditions as provided for any other sickness under the health benefits plan and shall meet the requirements of the federal Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008, 42 U.S.C. s.18031(j), and any amendments to, and federal guidance or regulations issued under that act, including 45 C.F.R. Parts 146 and 147 and 45 C.F.R. s.156.115(a)(3).

(2) As used in this section:

“Mental health condition” means a condition defined to be consistent with generally recognized independent standards of current medical practice referenced in the current version of the Diagnostic and Statistical Manual of Mental Disorders.

“Same terms and conditions” means that the plan cannot apply more restrictive non-quantitative limitations, such as utilization review and other criteria or more quantitative limitations such as copayments, deductibles, aggregate or annual limits or benefit limits to mental health condition and substance use disorder benefits than those applied to substantially all other medical or surgical benefits.

“Substance use disorder” means a disorder defined to be consistent with generally recognized independent standards of current medical practice referenced in the most current version of the Diagnostic and Statistical Manual of Mental Disorders.

b. (Deleted by amendment, P.L.2019, c.58)

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

d. Nothing in this section shall reduce the requirement for a plan to provide benefits pursuant to section 7 of P.L.2017, c.28 (C.17B:27A-19.25).

8. Section 8 of P.L.1999, c.106 (C.26:2J-4.20) is amended to read as follows:

C.26:2J-4.20 HMO to provide coverage for mental health conditions and substance use disorders.

8. a. (1) Every enrollee agreement delivered, issued, executed, or renewed in this State pursuant to P.L.1973, c.337 (C.26:2J-1 et seq.) or approved for issuance or renewal in this State by the Commissioner of Banking and Insurance, on or after the effective date of this act shall provide health care services for mental health conditions and substance use disorders under the same terms and conditions as provided for any other sickness under the agreement and shall meet the requirements of the federal Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008, 42 U.S.C. s.18031(j), and any amendments to, and federal guidance or regulations issued under that act, including 45 C.F.R. Parts 146 and 147 and 45 C.F.R. s.156.115(a)(3).

(2) As used in this section:

“Mental health condition” means a condition defined to be consistent with generally recognized independent standards of current medical practice referenced in the current version of the Diagnostic and Statistical Manual of Mental Disorders.

"Same terms and conditions" means that the health maintenance organization cannot apply more restrictive non-quantitative limitations, such as utilization review and other criteria or more quantitative limitations such as copayments, deductibles,, aggregate or annual limits or health care services limits to mental health condition and substance use disorder services than those applied to substantially all other medical or surgical health care services.

“Substance use disorder” means a disorder defined to be consistent with generally recognized independent standards of current medical practice referenced in the most current version of the Diagnostic and Statistical Manual of Mental Disorders.

b. (Deleted by amendment, P.L.2019, c.58)

c. The provisions of this section shall apply to enrollee agreements in which the health maintenance organization has reserved the right to change the premium.

d. Nothing in this section shall reduce the requirement for a health maintenance organization to provide benefits pursuant to section 8 of P.L.2017, c.28 (C.26:2J-4.39).

9. Section 1 of P.L.1999, c.441 (C.52:14-17.29d) is amended to read as follows:

C.52:14-17.29d Definitions relative to mental health conditions and substance use disorders.

1. As used in this act:

"Carrier" means an insurance company, health service corporation, hospital service corporation, medical service corporation or health maintenance organization authorized to issue health benefits plans in this State.

“Mental health condition” means a condition defined to be consistent with generally recognized independent standards of current medical practice referenced in the current version of the Diagnostic and Statistical Manual of Mental Disorders.

"Same terms and conditions" means that a carrier cannot apply more restrictive non-quantitative limitations, such as utilization review and other criteria or more quantitative limitations such as copayments, deductibles, aggregate or annual limits or benefit limits to mental health condition and substance use disorder benefits than those applied to substantially all other medical or surgical benefits.

“Substance use disorder” means a disorder defined to be consistent with generally recognized independent standards of current medical practice referenced in the most current version of the Diagnostic and Statistical Manual of Mental Disorders.

10. Section 2 of P.L.1999, c.441 (C.52:14-17.29e) is amended to read as follows:

C.52:14-17.29e SHBC to provide benefits for mental health conditions and substance use disorders.

2. a. The State Health Benefits Commission shall ensure that every contract purchased by the commission on or after the effective date of this act that provides hospital or medical expense benefits shall provide coverage for mental health conditions and substance use disorders under the same terms and conditions as provided for any other sickness under the contract and shall meet the requirements of the federal Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008, 42 U.S.C. s.18031(j), and any amendments to, and federal guidance or regulations issued under that act, including 45 C.F.R. Parts 146 and 147 and 45 C.F.R. s.156.115(a)(3).

b. The commission shall provide notice to employees regarding the coverage required by this section in accordance with this subsection and regulations promulgated by the Commissioner of Health pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.). The notice shall be in writing and prominently positioned in any literature or correspondence and shall be transmitted at the earliest of: (1) the next mailing to the employee; (2) the yearly informational packet sent to the employee; or (3) July 1, 2000. The commission shall also ensure that the carrier under contract with the commission, upon receipt of information that a covered person is receiving treatment for a mental health condition or substance use disorder, shall promptly notify that person of the coverage required by this section.

c. Nothing in this section shall reduce the requirement for a carrier to provide benefits pursuant to section 9 of P.L.2017, c.28 (C.52:14-17.29u).

C.26:2S-10.8 Definitions relative to insurance coverage for mental health conditions and substance use disorders.

11. a. For the purposes of this section:

"Benefit limits" includes both quantitative treatment limitations and non-quantitative treatment limitations.

"Carrier" means an insurance company, health service corporation, hospital service corporation, medical service corporation, or health maintenance organization authorized to issue health benefits plans in this State or any entity contracted to administer health benefits in connection with the State Health Benefits Program or School Employees' Health Benefits Program.

"Classification of benefits" means the classifications of benefits found at 45 C.F.R. 146.136(c)(2)(ii)(A) and 45 C.F.R. s.146.136(c)(3)(iii).

"Department" means the Department of Banking and Insurance.

"Mental health condition" means a condition defined to be consistent with generally recognized independent standards of current medical practice referenced in the current version of the Diagnostic and Statistical Manual of Mental Disorders.

"Non-quantitative treatment limitations" or "NQTL" means processes, strategies, or evidentiary standards, or other factors that are not expressed numerically, but otherwise limit the scope or duration of benefits for treatment. NQTLs shall include, but shall not be limited to:

(1) Medical management standards limiting or excluding benefits based on medical necessity or medical appropriateness, or based on whether the treatment is experimental or investigative;

(2) Formulary design for prescription drugs;

(3) For plans with multiple network tiers, such as preferred providers and participating providers, network tier design;

(4) Standards for provider admission to participate in a network, including reimbursement rates;

(5) Plan methods for determining usual, customary, and reasonable charges;

(6) Refusal to pay for higher-cost therapies until it can be shown that a lower-cost therapy is not effective, also known as fail-first policies or step therapy protocols;

(7) Exclusions based on failure to complete a course of treatment;

(8) Restrictions based on geographic location, facility type, provider specialty, and other criteria that limit the scope or duration of benefits for services provided under the plan or coverage;

- (9) In and out-of-network geographic limitations;
- (10) Limitations on inpatient services for situations where the participant is a threat to self or others;
- (11) Exclusions for court-ordered and involuntary holds;
- (12) Experimental treatment limitations;
- (13) Service coding;
- (14) Exclusions for services provided by a licensed professional who provides mental health condition or substance use disorder services;
- (15) Network adequacy; and
- (16) Provider reimbursement rates.

“Substance use disorder” means a disorder defined to be consistent with generally recognized independent standards of current medical practice referenced in the most current version of the Diagnostic and Statistical Manual of Mental Disorders.

b. A carrier shall approve a request for an in-plan exception if the carrier’s network does not have any providers who are qualified, accessible and available to perform the specific medically necessary service. A carrier shall communicate the availability of in-plan exceptions:

- (1) on its website where lists of network providers are displayed; and
- (2) to beneficiaries when they call the carrier to inquire about network providers.

c. A carrier that provides hospital or medical expense benefits through individual or group contracts shall submit an annual report to the department on or before March 1. The annual report shall contain, to the extent that the commissioner determines practicable, the following information:

(1) A description of the process used to develop or select the medical necessity criteria for mental health benefits, the process used to develop or select the medical necessity criteria for substance use disorder benefits, and the process used to develop or select the medical necessity criteria for medical and surgical benefits;

(2) Identification of all NQTLs that are applied to mental health benefits, all NQTLs that are applied to substance use disorder benefits, and all NQTLs that are applied to medical and surgical benefits, including, but not limited to, those listed in subsection a. of this section;

(3) The results of an analysis that demonstrates that for the medical necessity criteria described in paragraph (1) of this subsection and for selected NQTLs identified in paragraph (2) of this subsection, as written and in operation, the processes, strategies, evidentiary standards, or other factors used to apply the medical necessity criteria and selected NQTLs to mental health condition and substance use disorder benefits are comparable to, and are no more stringently applied than the processes, strategies, evidentiary standards, or other factors used to apply the medical necessity criteria and selected NQTLs, as written and in operation, to medical and surgical benefits. A determination of which selected NQTLs require analysis will be determined by the department; at a minimum, the results of the analysis shall entail the following, provided that some NQTLs may not necessitate all of the steps described below:

(a) identify the factors used to determine that an NQTL will apply to a benefit, including factors that were considered but rejected;

(b) identify and define the specific evidentiary standards, if applicable, used to define the factors and any other evidentiary standards relied upon in designing each NQTL;

(c) provide the comparative analyses, including the results of the analyses, performed to determine that the processes and strategies used to design each NQTL, as written, for mental health and substance use disorder benefits are comparable to and applied no more stringently



than the processes and strategies used to design each NQTL as written for medical and surgical benefits;

(d) provide the comparative analyses, including the results of the analyses, performed to determine that the processes and strategies used to apply each NQTL, in operation, for mental health and substance use disorder benefits are comparable to and applied no more stringently than the processes or strategies used to apply each NQTL in operation for medical and surgical benefits; and

(e) disclose the specific findings and conclusions reached by the carrier that the results of the analyses above indicate that the carrier is in compliance with this section and the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008, 42 U.S.C. s.18031(j), and its implementing and related regulations, which includes 45 C.F.R. s.146.136, 45 C.F.R. s.147.160, and 45 C.F.R. s.156.115(a)(3); and

(4) Any other information necessary to clarify data provided in accordance with this section requested by the Commissioner of Banking and Insurance including information that may be proprietary or have commercial value, provided that no proprietary information shall be made publicly available by the department.

d. The department shall implement and enforce applicable provisions of the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008, 42 U.S.C. s.18031(j), any amendments to, and federal guidance or regulations issued under that act, including 45 C.F.R. Parts 146 and 147, 45 C.F.R. 156.115(a)(3), P.L.1999, c.106 (C.17:48-6v et al.), and section 2 of P.L.1999, c.441 (C.52:14-17.29e), which includes:

(1) Ensuring compliance by individual and group contracts, policies, plans, or enrollee agreements delivered, issued, executed, or renewed in this State pursuant to P.L.1938, c.366 (C.17:48-1 et seq.), P.L.1940, c.74 (C.17:48A-1 et seq.), P.L.1985, c.236 (C.17:48E-1 et seq.), chapter 26 of Title 17B of the New Jersey Statutes (N.J.S.17B:26-1 et seq.), chapter 27 of Title 17B of the New Jersey Statutes (N.J.S.17B:27-26 et seq.), P.L.1992, c.161 (C.17B:27A-2 et seq.), P.L.1992, c.162 (C.17B:27A-17 et seq.), P.L.1973, c.337 (C.26:2J-1 et seq.), and P.L.1961, c.49 (C.52:14-17.25 et seq.), or approved for issuance or renewal in this State by the Commissioner of Banking and Insurance.

(2) Detecting violations of the law by individual and group contracts, policies, plans, or enrollee agreements delivered, issued, executed, or renewed in this State pursuant to P.L.1938, c.366 (C.17:48-1 et seq.), P.L.1940, c.74 (C.17:48A-1 et seq.), P.L.1985, c.236 (C.17:48E-1 et seq.), chapter 26 of Title 17B of the New Jersey Statutes (N.J.S.17B:26-1 et seq.), chapter 27 of Title 17B of the New Jersey Statutes (N.J.S.17B:27-26 et seq.), P.L.1992, c.161 (C.17B:27A-2 et seq.), P.L.1992, c.162 (C.17B:27A-17 et seq.), P.L.1973, c.337 (C.26:2J-1 et seq.), and P.L.1961, c.49 (C.52:14-17.25 et seq.), or approved for issuance or renewal in this State by the Commissioner of Banking and Insurance.

(3) Accepting, evaluating, and responding to complaints regarding violations.

(4) Maintaining and regularly reviewing for possible parity violations a publicly available consumer complaint log regarding mental health condition and substance use disorder coverage, provided that the names of specific carriers will be redacted and not disclosed on the complaint log.

(5) The commissioner shall adopt rules as may be necessary to effectuate any provisions of this section and the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008 that relate to the business of insurance.

e. Not later than May 1 of each year, the department shall issue a report to the Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1). The report shall:

(1) Describe the methodology the department is using to check for compliance with the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008, 42 U.S.C s.18031(j), and any federal regulations or guidance relating to the compliance and oversight of that act.

(2) Describe the methodology the department is using to check for compliance with P.L.1999, c.106 (C.17:48-6v et al.) and section 2 of P.L.1999, c.441 (C.52:14-17.29e).

(3) Identify market conduct examinations conducted or completed during the preceding 12-month period regarding compliance with parity in mental health and substance use disorder benefits under state and federal laws and summarize the results of such market conduct examinations. This shall include:

- (a) The number of market conduct examinations initiated and completed;
- (b) The benefit classifications examined by each market conduct examination;
- (c) The subject matters of each market conduct examination, including quantitative and non-quantitative treatment limitations;
- (d) A summary of the basis for the final decision rendered in each market conduct examination; and
- (e) Individually identifiable information shall be excluded from the reports consistent with state and Federal privacy protections.

(4) Detail any educational or corrective actions the department has taken to ensure compliance with Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008, 42 U.S.C s.18031(j), P.L.1999, c.106 (C.17:48-6v et al.) and section 2 of P.L.1999, c.441 (C.52:14-17.29e).

(5) Detail the department's educational approaches relating to informing the public about mental health condition and substance use disorder parity protections under State and federal law.

(6) Be written in non-technical, readily understandable language and shall be made available to the public by, among such other means as the department finds appropriate, posting the report on the department's website.

f. The department shall post on its Internet website a report disclosing the department's conclusions as to whether the analyses collected from the carriers as specified in paragraph (3) of subsection c. of this section demonstrate compliance with the Mental Health Parity and Addiction Equity Act of 2008 and its implementing regulations, specifically including whether or not there is compliance with 45 C.F.R. 146.136(c)(4). The name and identity of carriers shall be confidential, shall not be made public by the department, and shall not be subject to public inspection.

12. This act shall take effect on the 60th day after enactment and shall apply to all contracts and policies delivered, issued, executed or renewed on or after that date.

Approved April 11, 2019.