ASSEMBLY, No. 376

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:
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District 40 (Bergen, Essex, Morris and Passaic)
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District 37 (Bergen)
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District 21 (Morris, Somerset and Union)

Co-Sponsored by:
Assemblywomen Murphy, B.DeCroce, Dunn and Chaparro

SYNOPSIS

Requires health insurance coverage for annual mental health screening.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.

(Sponsorship Updated As Of: 11/8/2021)

AN ACT concerning insurance coverage of mental health screenings and amending various parts of the statutory law.

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:

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).

Coverage shall include, but not be limited to, an annual screening for mental health conditions.

(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.

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

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).

(cf: P.L.2019, c.58, s.1)

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

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 s.C.F.R. Parts 146 and 147 and 45 C.F.R. s.156.115(a)(3).

<u>Coverage shall include, but not be limited to, an annual screening for mental health conditions.</u>

(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).

(cf: P.L.2019, c.58, s.2)

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

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).

<u>Coverage shall include, but not be limited to, an annual screening for mental health conditions.</u>

(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).

(cf: P.L.2019, c.58, s.3)

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

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).

Coverage shall include, but not be limited to, an annual screening for mental health conditions.

(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).

(cf: P.L.2019, c.58, s.4)

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

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).

Benefits shall include, but not be limited to, an annual screening for mental health conditions.

(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.59)

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).

(cf: P.L.2019, c.58, s.5)

6. Section 2 of P.L.1999, c.106 (C.17B:27A-7.5) is amended to read as follows:

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).

Benefits shall include, but not be limited to, an annual screening for mental health conditions.

(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).

(cf: P.L.2019, c.58, s.6)

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

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).

<u>Benefits shall include, but not be limited to, an annual screening for mental health conditions.</u>

(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).

(cf: P.L.2019, c.58, s.7)

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

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).

<u>Health care services shall include, but not be limited to, an annual screening for mental health conditions.</u>

(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).

(cf: P.L.2019, c.58, s.8)

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

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).

<u>Coverage shall include, but not be limited to, an annual screening for mental health conditions.</u>

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).

(cf: P.L.2019, c.58, s.10)

10. This act shall take effect on the 90th day next following the date of enactment and shall apply to all contracts and policies delivered, issued, executed or renewed on or after that date.

STATEMENT

This bill requires health insurers (health, hospital, and medical service corporations, commercial individual and group health

insurers, health maintenance organizations, health benefits plans issued pursuant to the New Jersey Individual Health Coverage and Small Employer Health Benefits Programs, and the State Health Benefits Program) to provide coverage for an annual mental health screening.

The provisions of the bill will take effect 90 days after the date of enactment and will apply to all health benefits plans issued or renewed on or after that date.