

ASSEMBLY, No. 1123

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

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District 7 (Burlington)

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District 14 (Mercer and Middlesex)

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District 27 (Essex and Morris)

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Assemblywoman Vainieri Huttie

SYNOPSIS

Requires health benefits coverage of hearing aids for all ages.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



(Sponsorship Updated As Of: 10/8/2020)

1 **AN ACT** requiring health benefits coverage for hearing aids for all
2 ages, amending P.L.2008, c.126 and supplementing P.L.2007,
3 c.103 (C 52:14-17.46).

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

7
8 1. Section 2 of P.L.2008, c.126 (C.17:48-6gg) is amended to
9 read as follows:

10 2. A hospital service corporation contract that provides hospital
11 and medical expense benefits and is delivered, issued, executed or
12 renewed in this State pursuant to P.L.1938, c.366 (C.17:48-1 et
13 seq.), or approved for issuance or renewal in this State by the
14 Commissioner of Banking and Insurance, on or after the effective
15 date of this act, shall provide coverage for medically necessary
16 expenses incurred in the purchase of a hearing aid for a covered
17 person **【15 years of age or younger,】** as provided in this section.

18 A hospital service corporation contract shall provide coverage
19 that includes the purchase of a hearing aid for each ear, when
20 medically necessary and as prescribed or recommended by a
21 licensed physician or audiologist. A hospital service corporation
22 may limit the benefit provided in this section to \$1,000 per hearing
23 aid for each hearing-impaired ear every 24 months. A covered
24 person may choose a hearing aid that is priced higher than the
25 benefit payable under this section and may pay the difference
26 between the price of the hearing aid and the benefit payable under
27 this section, without financial or contractual penalty to the provider
28 of the hearing aid.

29 The benefits shall be provided to the same extent as for any other
30 condition under the contract.

31 This section shall apply to those hospital service corporation
32 contracts in which the hospital service corporation has reserved the
33 right to change the premium.

34 (cf: P.L.2008, c.126, s.2)

35
36 2. Section 3 of P.L.2008, c.126 (C.17:48A-7dd) is amended to
37 read as follows:

38 3. A medical service corporation contract that provides hospital
39 and medical expense benefits and is delivered, issued, executed or
40 renewed in this State pursuant to P.L.1940, c.74 (C.17:48A-1 et
41 seq.), or approved for issuance or renewal in this State by the
42 Commissioner of Banking and Insurance, on or after the effective
43 date of this act, shall provide coverage for medically necessary
44 expenses incurred in the purchase of a hearing aid for a covered
45 person **【15 years of age or younger,】** as provided in this section.

46 A medical service corporation contract shall provide coverage
47 that includes the purchase of a hearing aid for each ear, when

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.

1 medically necessary and as prescribed or recommended by a
2 licensed physician or audiologist. A medical service corporation
3 may limit the benefit provided in this section to \$1,000 per hearing
4 aid for each hearing-impaired ear every 24 months. A covered
5 person may choose a hearing aid that is priced higher than the
6 benefit payable under this section and may pay the difference
7 between the price of the hearing aid and the benefit payable under
8 this section, without financial or contractual penalty to the provider
9 of the hearing aid.

10 The benefits shall be provided to the same extent as for any other
11 condition under the contract.

12 This section shall apply to those medical service corporation
13 contracts in which the medical service corporation has reserved the
14 right to change the premium.

15 (cf: P.L.2008, c.126, s.3)

16

17 3. Section 4 of P.L.2008, c.126 (C.17:48E-35.31) is amended
18 to read as follows:

19 4. A health service corporation contract that provides hospital
20 and medical expense benefits and is delivered, issued, executed or
21 renewed in this State pursuant to P.L.1985, c.236 (C.17:48E-1 et
22 al.), or approved for issuance or renewal in this State by the
23 Commissioner of Banking and Insurance, on or after the effective
24 date of this act, shall provide coverage for medically necessary
25 expenses incurred in the purchase of a hearing aid for a covered
26 person **【15 years of age or younger,】** as provided in this section.

27 A health service corporation contract shall provide coverage that
28 includes the purchase of a hearing aid for each ear, when medically
29 necessary and as prescribed or recommended by a licensed
30 physician or audiologist. A health service corporation may limit the
31 benefit provided in this section to \$1,000 per hearing aid for each
32 hearing-impaired ear every 24 months. A covered person may
33 choose a hearing aid that is priced higher than the benefit payable
34 under this section and may pay the difference between the price of
35 the hearing aid and the benefit payable under this section, without
36 financial or contractual penalty to the provider of the hearing aid.

37 The benefits shall be provided to the same extent as for any other
38 condition under the contract.

39 This section shall apply to those health service corporation
40 contracts in which the health service corporation has reserved the
41 right to change the premium.

42 (cf: P.L.2008, c.126, s.4)

43

44 4. Section 5 of P.L.2008, c.126 (C.17B:26-2.1aa) is amended to
45 read as follows:

46 5. An individual health insurance policy that provides hospital
47 and medical expense benefits and is delivered, issued, executed or

1 renewed in this State pursuant to chapter 26 of Title 17B of the New
2 Jersey Statutes, or approved for issuance or renewal in this State by
3 the Commissioner of Banking and Insurance, on or after the
4 effective date of this act, shall provide coverage for medically
5 necessary expenses incurred in the purchase of a hearing aid for a
6 covered person **【15 years of age or younger,】** as provided in this
7 section.

8 A policy shall provide coverage that includes the purchase of a
9 hearing aid for each ear, when medically necessary and as
10 prescribed or recommended by a licensed physician or audiologist.
11 An insurer may limit the benefit provided in this section to \$1,000
12 per hearing aid for each hearing-impaired ear every 24 months. A
13 covered person may choose a hearing aid that is priced higher than
14 the benefit payable under this section and may pay the difference
15 between the price of the hearing aid and the benefit payable under
16 this section, without financial or contractual penalty to the provider
17 of the hearing aid.

18 The benefits shall be provided to the same extent as for any other
19 condition under the policy.

20 This section shall apply to those policies in which the insurer has
21 reserved the right to change the premium.

22 (cf: P.L.2008, c.126, s.5)

23
24 5. Section 6 of P.L.2008, c.126 (C.17B:27-46.1gg) is amended
25 to read as follows:

26 6. A group health insurance policy that provides hospital and
27 medical expense benefits and is delivered, issued, executed or
28 renewed in this State pursuant to chapter 27 of Title 17B of the New
29 Jersey Statutes, or approved for issuance or renewal in this State by
30 the Commissioner of Banking and Insurance, on or after the
31 effective date of this act, shall provide coverage for medically
32 necessary expenses incurred in the purchase of a hearing aid for a
33 covered person **【15 years of age or younger,】** as provided in this
34 section.

35 A policy shall provide coverage that includes the purchase of a
36 hearing aid for each ear, when medically necessary and as
37 prescribed or recommended by a licensed physician or audiologist.
38 An insurer may limit the benefit provided in this section to \$1,000
39 per hearing aid for each hearing-impaired ear every 24 months. A
40 covered person may choose a hearing aid that is priced higher than
41 the benefit payable under this section and may pay the difference
42 between the price of the hearing aid and the benefit payable under
43 this section, without financial or contractual penalty to the provider
44 of the hearing aid.

45 The benefits shall be provided to the same extent as for any other
46 condition under the policy.

47 This section shall apply to those policies in which the insurer has

1 reserved the right to change the premium.
2 (cf: P.L.2008, c.126, s.6)

3

4 6. Section 7 of P.L.2008, c.126 (C.17B:27A-7.14) is amended
5 to read as follows:

6 7. An individual health benefits plan that provides hospital and
7 medical expense benefits and is delivered, issued, executed or
8 renewed in this State pursuant to P.L.1992, c.161 (C.17B:27A-2 et
9 al.), on or after the effective date of this act, shall provide coverage
10 for medically necessary expenses incurred in the purchase of a
11 hearing aid for a covered person **【15 years of age or younger,】** as
12 provided in this section.

13 A health benefits plan shall provide coverage that includes the
14 purchase of a hearing aid for each ear, when medically necessary
15 and as prescribed or recommended by a licensed physician or
16 audiologist. A carrier may limit the benefit provided in this section
17 to \$1,000 per hearing aid for each hearing-impaired ear every 24
18 months. A covered person may choose a hearing aid that is priced
19 higher than the benefit payable under this section and may pay the
20 difference between the price of the hearing aid and the benefit
21 payable under this section, without financial or contractual penalty
22 to the provider of the hearing aid.

23 The benefits shall be provided to the same extent as for any other
24 condition under the health benefits plan.

25 This section shall apply to those health benefits plans in which
26 the carrier has reserved the right to change the premium.
27 (cf: P.L.2008, c.126, s.7)

28

29 7. Section 8 of P.L.2008, c.126 (C.17B:27A-19.18) is amended
30 to read as follows:

31 8. A small employer health benefits plan that provides hospital
32 and medical expense benefits and is delivered, issued, executed or
33 renewed in this State pursuant to P.L.1992, c.162 (C.17B:27A-17 et
34 seq.), on or after the effective date of this act, shall provide
35 coverage for medically necessary expenses incurred in the purchase
36 of a hearing aid for a covered person **【15 years of age or younger,】**
37 as provided in this section.

38 A health benefits plan shall provide coverage that includes the
39 purchase of a hearing aid for each ear, when medically necessary
40 and as prescribed or recommended by a licensed physician or
41 audiologist. A carrier may limit the benefit provided in this section
42 to \$1,000 per hearing aid for each hearing-impaired ear every 24
43 months. A covered person may choose a hearing aid that is priced
44 higher than the benefit payable under this section and may pay the
45 difference between the price of the hearing aid and the benefit
46 payable under this section, without financial or contractual penalty
47 to the provider of the hearing aid.

1 The benefits shall be provided to the same extent as for any other
2 condition under the health benefits plan.

3 This section shall apply to those health benefits plans in which
4 the carrier has reserved the right to change the premium.

5 (cf: P.L.2008, c.126, s.8)

6

7 8. Section 9 of P.L.2008, c.126 (C.26:2J-4.32) is amended to
8 read as follows:

9 9. A health maintenance organization contract for health care
10 services that is delivered, issued, executed or renewed in this State
11 pursuant to P.L.1973, c.337 (C.26:2J-1 et seq.), or approved for
12 issuance or renewal in this State by the Commissioner of Banking
13 and Insurance, on or after the effective date of this act, shall provide
14 health care services for medically necessary expenses incurred in
15 the purchase of a hearing aid for an enrollee [15 years of age or
16 younger,] as provided in this section.

17 The health care services shall include the purchase of a hearing
18 aid for each ear, when medically necessary and as prescribed or
19 recommended by a licensed physician or audiologist. A health
20 maintenance organization may limit the health care services
21 provided in this section to \$1,000 per hearing aid for each hearing-
22 impaired ear every 24 months. An enrollee may choose a hearing
23 aid that is priced higher than the health care services payable under
24 this section and may pay the difference between the price of the
25 hearing aid and the health care services payable under this section,
26 without financial or contractual penalty to the provider of the
27 hearing aid.

28 The health care services shall be provided to the same extent as
29 for any other condition under the contract.

30 This section shall apply to those contracts for health care
31 services under which the right to change the schedule of charges for
32 enrollee coverage is reserved.

33 (cf: P.L.2008, c.126, s.9)

34

35 9. Section 10 of P.L.2008, c.126 (C.52:14-17.29n) is amended
36 to read as follows:

37 10. The State Health Benefits Commission shall, on or after the
38 effective date of this act, provide benefits for medically necessary
39 expenses incurred in the purchase of a hearing aid for a covered
40 person [15 years of age or younger,] as provided in this section.

41 The benefits shall include the purchase of a hearing aid for each
42 ear, when medically necessary and as prescribed or recommended
43 by a licensed physician or audiologist. The commission may limit
44 the benefit provided in this section to \$1,000 per hearing aid for
45 each hearing-impaired ear every 24 months. A covered person may
46 choose a hearing aid that is priced higher than the benefit payable
47 under this section and may pay the difference between the price of

1 the hearing aid and the benefit payable under this section, without
2 financial or contractual penalty to the provider of the hearing aid.
3 (cf: P.L.2008, c.126, s.10)

4
5 10. Section 11 of P.L.2008, c.126 (C.30:4J-12.2) is amended to
6 read as follows:

7 11. The Commissioner of Human Services shall ensure that
8 every contract for health care services under the NJ FamilyCare
9 Program established pursuant to sections 3 through 5 of P.L.2005,
10 c.156 (C.30:4J-10 through C.30:4J-12), entered into on or after the
11 effective date of this act, provides benefits for medically necessary
12 expenses incurred in the purchase of a hearing aid for a covered
13 person [15 years of age or younger,] as provided in this section.

14 The benefits shall include the purchase of a hearing aid for each
15 ear, when medically necessary and as prescribed or recommended
16 by a licensed physician or audiologist. The commissioner may limit
17 the benefit provided in this section to \$1,000 per hearing aid for
18 each hearing-impaired ear every 24 months in any of the NJ
19 FamilyCare Program plans, and may provide, when applicable, that
20 a covered person may choose a hearing aid that is priced higher
21 than the benefit payable under this section and may pay the
22 difference between the price of the hearing aid and the benefit
23 payable under this section, without financial or contractual penalty
24 to the provider of the hearing aid.

25 (cf: P.L.2008, c.126, s.11)

26
27 11. (New section) The School Employees' Health Benefits
28 Commission shall ensure that every contract purchased by the
29 commission on or after the effective date of this act provides
30 benefits for medically necessary expenses incurred in the purchase
31 of a hearing aid for a covered person as provided in this section.

32 The benefits shall include the purchase of a hearing aid for each
33 ear, when medically necessary as prescribed or recommended by a
34 licensed physician or audiologist. The commission may limit the
35 benefit provided in this section to \$1,000 per hearing aid for each
36 hearing-impaired ear every 24 months. A covered person may
37 choose a hearing aid that is priced higher than the benefit payable
38 under this section and may pay the difference between the price of
39 the hearing aid and the benefit payable under this section, without
40 financial or contractual penalty to the provider of the hearing aid.

41
42 12. This act shall take effect on the 90th day after the date of
43 enactment.

44 45 STATEMENT

46
47 This bill amends P.L.2008, c.126, "Grace's Law," by removing
48 the specification that health insurers (health, hospital, and medical

1 service corporations, commercial individual and group health
2 insurers, health maintenance organizations, health benefits plans
3 issued pursuant to the New Jersey Individual Health Coverage and
4 Small Employer Health Benefits Programs, the State Health
5 Benefits Program, and the NJ FamilyCare Program) provide
6 coverage for expenses incurred in the purchase of a hearing aid only
7 for covered persons who are 15 years old or younger. The bill
8 generalizes the requirement so that health insurers must provide
9 these benefits regardless of the covered person's age.

10 In addition, the bill supplements P.L.2007, c.103 (C.52:14-
11 17.46.1 et seq.) to require the School Employees' Health Benefits
12 Commission to ensure that every contract purchased by the
13 commission meets the same requirements for hearing aid coverage
14 as "Grace's Law."

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