

ASSEMBLY, No. 2021

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Assemblyman JON M. BRAMNICK

District 21 (Morris, Somerset and Union)

Assemblyman RONALD S. DANCER

District 12 (Burlington, Middlesex, Monmouth and Ocean)

Co-Sponsored by:

Assemblymen Moriarty, DePhillips and Assemblywoman N.Munoz

SYNOPSIS

Prohibits pre-approval or precertification of medical tests, procedures and prescription drugs covered under health benefits or prescription drug benefits plans.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 **AN ACT** concerning pre-approval and precertification of certain
2 health and pharmacy benefits and supplementing various parts of
3 the statutory law.

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

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8 1. Notwithstanding the provisions of any other law, rule or
9 regulation to the contrary, a carrier shall not condition the payment
10 of any benefit for a medical test or procedure, or prescription drug,
11 upon any pre-approval or precertification of any kind by the carrier
12 if that test, procedure or prescription drug is otherwise covered
13 under the health benefits plan and it has been prescribed by a
14 licensed health care provider.

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16 2. Notwithstanding the provisions of any other law, rule or
17 regulation to the contrary, a third party administrator shall not
18 condition the payment of any benefit for a medical test or
19 procedure, or prescription drug, upon any pre-approval or
20 precertification of any kind by the third party administrator or
21 benefits payer if that test, procedure or prescription drug is
22 otherwise covered under the health benefits plan and it has been
23 prescribed by a licensed health care provider.

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25 3. Notwithstanding the provisions of any other law, rule or
26 regulation to the contrary, a pharmacy benefits manager shall not
27 condition the payment of any benefit for a prescription drug, upon
28 any pre-approval or precertification of any kind by the pharmacy
29 benefits manager, carrier or purchaser if that prescription drug is
30 otherwise covered under the health benefits plan and it has been
31 prescribed by a licensed health care provider.

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33 4. Notwithstanding the provisions of any other law, rule or
34 regulation to the contrary, a contract for health benefits, or for
35 prescription drug benefits, purchased by the State Health Benefits
36 Program shall not condition the payment of any benefit for a
37 medical test or procedure, or prescription drug, upon any pre-
38 approval or precertification of any kind if that test, procedure or
39 prescription drug is otherwise covered under the health benefits
40 plan and it has been prescribed by a licensed health care provider.

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42 5. Notwithstanding the provisions of any other law, rule or
43 regulation to the contrary, a contract for health benefits, or for
44 prescription drug benefits, purchased by the School Employees'
45 Health Benefits Program shall not condition the payment of any
46 benefit for a medical test, procedure or prescription drug, upon any
47 pre-approval or precertification of any kind if that test, procedure or

1 prescription drug is otherwise covered under the health benefits
2 plan and it has been prescribed by a licensed health care provider.

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4 6. This act shall take effect immediately and apply to health
5 benefits plans or prescription drug benefits plans issued or
6 purchased on or after that date.

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STATEMENT

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11 This bill prohibits health insurers, third party administrators,
12 pharmacy benefits managers, and the State Health Benefits Program
13 and the School Employees' Health Benefits Program from requiring
14 the pre-approval or precertification of medical tests, procedures or
15 prescription drugs covered under a health benefits or prescription
16 drug benefits plan. This bill will ensure that patients who are ill are
17 not burdened with technical requirements by health benefits
18 providers which employ utilization management review systems
19 that slow down medical care.

20 The sponsor is concerned that complaints from people who need
21 medical treatment are on the rise, and feels that it is time to end the
22 nightmare of the insurance company bureaucracy that is frustrating
23 patients who need care and medicine. The so-called "pre-approval"
24 process, now required by insurance companies, is a nightmare for
25 patients across New Jersey. Historically, doctors would order a test
26 or medicine and patients received it. Now, a myriad of bureaucratic
27 obstacles makes patients and doctors pawns in a sad game of
28 insurance-company chess. There are examples of cancer patients
29 waiting for long periods of time to receive medicine because of a
30 cumbersome and slow approval policy.

31 The sponsor is convinced that it is time for the doctors to make
32 decisions, not insurance companies; it is time for patients who are
33 ill to not be burdened with technical requirements by insurance
34 companies that employ systems that slow down medical care and
35 are incredibly frustrating. It is the sponsor's goal that insurance
36 companies pay for what the doctor orders.