

ASSEMBLY, No. 3558

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED FEBRUARY 25, 2020

Sponsored by:

Assemblyman DANIEL R. BENSON

District 14 (Mercer and Middlesex)

SYNOPSIS

Requires insurers to provide information about organ donation and allows insurers to limit reimbursement for organ transplant if recipient has not made gift pursuant to Revised Uniform Anatomical Gift Act.

CURRENT VERSION OF TEXT

As introduced.



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

15 b. The hospital service corporation shall develop informational
16 materials in conjunction with the federally designated organ
17 procurement organization for the State to inform its subscribers at
18 each contract renewal about how to register for organ donor
19 designation with the New Jersey Motor Vehicle Commission.

20 c. The hospital service corporation may require that its
21 subscribers provide documentation of registration as organ donors,
22 and may limit reimbursement for otherwise medically necessary
23 expenses incurred for a solid organ transplant if the transplant
24 recipient is at least 18 years of age or is an emancipated minor and
25 has not provided documentation of registration as an organ donor,
26 or made an anatomical gift pursuant to P.L.2008, c.50 (C.26:6-
27 77 et seq.). Nothing in this subsection shall be construed to limit a
28 hospital service corporation from providing a premium discount for
29 a subscriber who provides documentation of registration as an organ
30 donor or of a document of gift in accordance with the provisions of
31 P.L.2008, c.50. For the purposes of this subsection, “solid organ”
32 means a kidney, liver, heart, or lung.

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

36
37 2. a. Notwithstanding any other provision of law to the
38 contrary, every medical service corporation contract that provides
39 hospital and medical expense benefits and is delivered, issued,
40 executed, or renewed in this State pursuant to P.L.1940, c.74
41 (C.17:48A-1 et seq.), or approved for issuance or renewal in this
42 State by the Commissioner of Banking and Insurance, on or after
43 the effective date of this act, shall comply with the provisions of
44 this section.

45 b. The medical service corporation shall develop informational
46 materials in conjunction with the federally designated organ
47 procurement organization for the State to inform its subscribers at

1 each contract renewal about how to register for organ donor
2 designation with the New Jersey Motor Vehicle Commission.

3 c. The medical service corporation may require that its
4 subscribers provide documentation of registration as organ donors,
5 and may limit reimbursement for otherwise medically necessary
6 expenses incurred for a solid organ transplant if the transplant
7 recipient is at least 18 years of age or is an emancipated minor and
8 has not provided documentation of registration as an organ donor,
9 or made an anatomical gift pursuant to P.L.2008, c.50 (C.26:6-
10 77 et seq.). Nothing in this subsection shall be construed to limit a
11 medical service corporation from providing a premium discount for
12 a subscriber who provides documentation of registration as an organ
13 donor or of a document of gift in accordance with the provisions of
14 P.L.2008, c.50. For the purposes of this subsection, “solid organ”
15 means a kidney, liver, heart, or lung.

16 d. This section shall apply to those medical service corporation
17 contracts in which the medical service corporation has reserved the
18 right to change the premium.

19

20 3. a. Notwithstanding any other provision of law to the
21 contrary, every health service corporation contract that provides
22 hospital and medical expense benefits and is delivered, issued,
23 executed, or renewed in this State pursuant to P.L.1985, c.236
24 (C.17:48E-1 et seq.), or approved for issuance or renewal in this
25 State by the Commissioner of Banking and Insurance, on or after
26 the effective date of this act, shall comply with the provisions of
27 this section.

28 b. The health service corporation shall develop informational
29 materials in conjunction with the federally designated organ
30 procurement organization for the State to inform its subscribers at
31 each contract renewal about how to register for organ donor
32 designation with the New Jersey Motor Vehicle Commission.

33 c. The health service corporation may require that its
34 subscribers provide documentation of registration as organ donors,
35 and may limit reimbursement for otherwise medically necessary
36 expenses incurred for a solid organ transplant if the transplant
37 recipient is at least 18 years of age or is an emancipated minor and
38 has not provided documentation of registration as an organ donor,
39 or made an anatomical gift pursuant to P.L.2008, c.50 (C.26:6-77 et
40 seq.). Nothing in this subsection shall be construed to limit a health
41 service corporation from providing a premium discount for a
42 subscriber who provides documentation of registration as an organ
43 donor or of a document of gift in accordance with the provisions of
44 P.L.2008, c.50. For the purposes of this subsection, “solid organ”
45 means a kidney, liver, heart, or lung.

46 d. This section shall apply to those health service corporation
47 contracts in which the health service corporation has reserved the
48 right to change the premium.

1 4. a. An individual health policy that provides hospital and
2 medical expense benefits and is delivered, issued, executed, or
3 renewed in this State pursuant to N.J.S.17B:26-1 et seq., or
4 approved for issuance or renewal in this State by the Commissioner
5 of Banking and Insurance, on or after the effective date of this act,
6 shall comply with the provisions of this section.

7 b. The insurer shall develop informational materials in
8 conjunction with the federally designated organ procurement
9 organization for the State to inform its insureds at each policy
10 renewal about how to register for organ donor designation with the
11 New Jersey Motor Vehicle Commission.

12 c. The insurer may require that its insureds provide
13 documentation of registration as organ donors, and may limit
14 reimbursement for otherwise medically necessary expenses incurred
15 for a solid organ transplant if the transplant recipient is at least 18
16 years of age or is an emancipated minor and has not provided
17 documentation of registration as an organ donor, or made an
18 anatomical gift pursuant to P.L.2008, c.50 (C.26:6-77 et seq.).
19 Nothing in this subsection shall be construed to limit an insurer
20 from providing a premium discount for an insured who provides
21 documentation of registration as an organ donor or of a document of
22 gift in accordance with the provisions of P.L.2008, c.50. For the
23 purposes of this subsection, "solid organ" means a kidney, liver,
24 heart, or lung.

25 d. This section shall apply to those policies in which the insurer
26 has reserved the right to change the premium.

27
28 5. a. A group health policy that provides hospital and
29 medical expense benefits and is delivered, issued, executed, or
30 renewed in this State pursuant to N.J.S.17B:27-26 et seq., on or
31 after the effective date of this act, shall comply with the provisions
32 of this section.

33 b. The insurer shall develop informational materials in
34 conjunction with the federally designated organ procurement
35 organization for the State to inform its insureds at each policy
36 renewal about how to register for organ donor designation with the
37 New Jersey Motor Vehicle Commission.

38 c. The policy may require that insureds provide documentation
39 of registration as organ donors, and the insurer may limit
40 reimbursement for otherwise medically necessary expenses incurred
41 for a solid organ transplant if the transplant recipient is at least 18
42 years of age or is an emancipated minor and has not provided
43 documentation of registration as an organ donor, or made an
44 anatomical gift pursuant to P.L.2008, c.50 (C.26:6-77 et seq.).
45 Nothing in this subsection shall be construed to limit the insurer
46 from providing a premium discount for an insured who provides
47 documentation of registration as an organ donor or of a document of
48 gift in accordance with the provisions of P.L.2008, c.50. For the

1 purposes of this subsection, “solid organ” means a kidney, liver,
2 heart, or lung.

3 d. This section shall apply to those policies in which the insurer
4 has reserved the right to change the premium.

5
6 6. a. A health maintenance organization contract for health
7 care services that is delivered, issued, executed, or renewed on or
8 after the effective date of this act in this State pursuant to P.L.1973,
9 c.337 (C.26:2J-1 et seq.), shall comply with the provisions of this
10 section.

11 b. The health maintenance organization shall develop
12 informational materials in conjunction with the federally designated
13 organ procurement organization for the State to inform its enrollees
14 at each policy renewal about how to register for organ donor
15 designation with the New Jersey Motor Vehicle Commission.

16 c. The health maintenance organization may require that
17 enrollees provide documentation of registration as organ donors,
18 and may limit health care services for a solid organ transplant if the
19 transplant recipient is at least 18 years of age or is an emancipated
20 minor and has not provided documentation of registration as an
21 organ donor, or made an anatomical gift pursuant to P.L.2008, c.50
22 (C.26:6-77 et seq.). Nothing in this subsection shall be construed to
23 limit the health maintenance organization from providing a
24 premium discount for an enrollee who provides documentation of
25 registration as an organ donor or of a document of gift in
26 accordance with the provisions of P.L.2008, c.50. For the purposes
27 of this subsection, “solid organ” means a kidney, liver, heart, or
28 lung.

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

32
33 7. a. An individual health benefits plan that is delivered,
34 issued, executed, or renewed in this State pursuant to P.L.1992,
35 c.161 (C.17B:27A-2 et seq.), on or after the effective date of this
36 act, shall comply with the provisions of this section.

37 b. The carrier shall develop informational materials in
38 conjunction with the federally designated organ procurement
39 organization for the State to inform its covered persons at each plan
40 renewal about how to register for organ donor designation with the
41 New Jersey Motor Vehicle Commission.

42 c. The carrier may require that its covered persons provide
43 documentation of registration as organ donors, and may limit
44 reimbursement for otherwise medically necessary expenses incurred
45 for a solid organ transplant if the transplant recipient is at least 18
46 years of age or is an emancipated minor and has not provided
47 documentation of registration as an organ donor, or made an
48 anatomical gift pursuant to P.L.2008, c.50 (C.26:6-77 et seq.).

1 Nothing in this subsection shall be construed to limit the carrier
2 from providing a premium discount for a covered person who
3 provides documentation of registration as an organ donor or of a
4 document of gift in accordance with the provisions of
5 P.L.2008, c.50. For purposes of this subsection, “solid organ”
6 means a kidney, liver, heart, or lung.

7 d. This section shall apply to those health benefits plans in
8 which the carrier has reserved the right to change the premium.

9

10 8. a. A small employer health benefits plan that is delivered,
11 issued, executed, or renewed in this State pursuant to P.L.1992,
12 c.162 (C.17B:27A-17 et seq.), on or after the effective date of this
13 act, shall comply with the provisions of this section.

14 b. The carrier shall develop informational materials in
15 conjunction with the federally designated organ procurement
16 organization for the State to inform its covered persons at each plan
17 renewal about how to register for organ donor designation with the
18 New Jersey Motor Vehicle Commission.

19 c. The insurer may require that its covered persons provide
20 documentation of registration as organ donors, and may limit
21 reimbursement for otherwise medically necessary expenses incurred
22 for a solid organ transplant if the transplant recipient is at least 18
23 years of age or is an emancipated minor and has not provided
24 documentation of registration as an organ donor, or made an
25 anatomical gift pursuant to P.L.2008, c.50 (C.26:6-77 et seq.).
26 Nothing in this subsection shall be construed to limit the carrier
27 from providing a premium discount for a covered person who
28 provides documentation of registration as an organ donor or of a
29 document of gift in accordance with the provisions of P.L.2008,
30 c.50. For the purposes of this subsection, “solid organ” means a
31 kidney, liver, heart, or lung.

32 d. This section shall apply to those health benefit plans in
33 which the carrier has reserved the right to change the premium.

34

35 9. a. The State Health Benefits Commission shall develop
36 informational materials in conjunction with the federally designated
37 organ procurement organization for the State to inform persons
38 covered under every contract purchased by the commission, on or
39 after the effective date of this act, at each contract renewal about
40 how to register for organ donor designation with the New Jersey
41 Motor Vehicle Commission.

42 b. The commission may require that covered persons age 18
43 and older provide documentation of registration as organ donors,
44 and may limit reimbursement for otherwise medically necessary
45 expenses incurred for a solid organ transplant if the transplant
46 recipient is age 18 or older and has not provided documentation of
47 registration as an organ donor, or made an anatomical gift pursuant
48 to P.L.2008, c.50 (C.26:6-77 et seq.). Nothing in this subsection

1 shall be construed to limit the State Health Benefits Program from
2 providing a discount for the cost of coverage for a covered person
3 who provides documentation of registration as an organ donor or of
4 a document of gift in accordance with the provisions of P.L.2008,
5 c.50. For the purposes of this subsection, “solid organ” means a
6 kidney, liver, heart, or lung.

7
8 10. a. The School Employees’ Health Benefits Commission
9 shall develop informational materials in conjunction with the
10 federally designated organ procurement organization for the State to
11 inform persons covered under every contract purchased by the
12 commission, on or after the effective date of this act, at each
13 renewal about how to register for organ donor designation with the
14 New Jersey Motor Vehicle Commission.

15 b. The commission may require that covered persons age 18
16 and older provide documentation of registration as organ donors,
17 and may limit reimbursement for otherwise medically necessary
18 expenses incurred for a solid organ transplant if the transplant
19 recipient is age 18 or older and has not provided documentation of
20 registration as an organ donor, or made an anatomical gift pursuant
21 to P.L.2008, c.50 (C.26:6-77 et seq.). Nothing in this subsection
22 shall be construed to limit the School Employees’ Health Benefits
23 Program from providing a discount for the cost of coverage for a
24 covered person who provides documentation of registration as an
25 organ donor or of a document of gift in accordance with the
26 provisions of P.L.2008, c.50. For the purposes of this subsection,
27 “solid organ” means a kidney, liver, heart, or lung.

28
29 11. This act shall take effect on the first day of the fourth month
30 next following the date of enactment and shall apply to all contracts
31 and policies issued on or after the effective date.

32 33 34 STATEMENT

35
36 This bill requires certain health insurers to develop informational
37 materials in conjunction with the federally designated organ
38 procurement organization for the State that informs their policy
39 holders at each renewal period about how to register as an organ
40 donor with the New Jersey Motor Vehicle Commission.

41 In addition, the bill allows these insurers to limit reimbursement
42 for the costs associated with solid organ (kidney, liver, heart, or
43 lung) transplants for adult transplant recipients and emancipated
44 minors who have not made an anatomical gift pursuant to the
45 Revised Uniform Anatomical Gift Act. That law provides
46 numerous ways for prospective organ donors to designate
47 themselves as such, including through wills and when renewing
48 drivers licenses. A prospective organ transplant recipient can be a

1 designated organ donor.

2 The provisions of the bill apply to hospital, medical, and health
3 service corporations, commercial insurers, health maintenance
4 organizations, health benefits plans issued pursuant to the New
5 Jersey Individual Health Coverage Program and Small Employer
6 Health Benefits Program, and the State Health Benefits Program
7 and School Employees' Health Benefits Program.

8 The public policy of New Jersey has been to encourage organ
9 donation because of the ongoing shortage of life-saving organs.
10 While the availability of an organ for transplant should not be based
11 upon the generosity of the recipient, public policy supports the
12 imposition of increased expenses on those insured individuals who
13 would take advantage of the precious resource of organs to save
14 their own lives, but would not similarly commit to giving. Thus,
15 this bill supports the ethic of reciprocity, or "Golden Rule";
16 individuals who willingly accept organs from others should be
17 willing to similarly designate themselves as organ donors.