LEGISLATIVE FISCAL ESTIMATE
SENATE, No. 49
STATE OF NEW JERSEY
220th LEGISLATURE

DATED: JANUARY 18, 2022

SUMMARY

Synopsis: Codifies constitutional right to freedom of reproductive choice.

Type of Impact: One-time State expenditure increase.

Agencies Affected: Department of Banking and Insurance.

Office of Legislative Services Estimate

Fiscal Impact	Magnitude
One-Time State Expenditure Increase	Indeterminate

- The Office of Legislative Services (OLS) notes that this bill may result in a one-time indeterminate increase in State expenditures tied to the requirement that the Department of Banking and Insurance study and issue a report on the necessity of regulations requiring health benefits plan coverage of abortion services.

- Annual State and local government expenditures might be altered if the Department of Banking and Insurance were to exercise its authority granted under the bill to impose a statewide mandate that health benefits plans cover abortion services after finding in its study that such a mandate is necessary. Absent information on the specifics of such a possible mandate, the OLS lacks the informational basis to assess to what extent a mandate might affect the annual expenditures of the State's Medicaid/NJ FamilyCare program and State and local government employee health benefits plans.

- The State Health Benefits Program and the School Employees' Health Benefits Program currently cover abortion services that are deemed medically necessary or elective under certain co-pay and deductible conditions. The State's Medicaid/NJ FamilyCare program, in turn, currently covers abortion services that are deemed medically necessary pursuant to program guidelines.

BILL DESCRIPTION

This bill requires the Department of Banking and Insurance to study and issue a report to the Governor and the Legislature on the necessity of a statewide mandate that health benefit plans

cover abortion services. If the department affirms that necessity, it may impose a statewide abortion coverage mandate, with an exclusion for qualified religious employers. An insurance carrier that provides a health benefits plan to a religious employer without abortion coverage will have to notify the department thereof in such manner as the department may prescribe.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS notes that this bill may result in a one-time indeterminate increase in State expenditures tied to the requirement that the Department of Banking and Insurance study and issue a report on the necessity of regulations requiring health benefits plan coverage of abortion services.

The bill may also affect the annual expenditures of the State and local governments if the Department of Banking and Insurance were to exercise its authority granted under the bill to impose a statewide mandate that health benefits plans cover abortion services after finding in its study that such a mandate is necessary. Absent information on the specifics of such a possible mandate, the OLS lacks the informational basis to determine to what extent a mandate might affect the annual expenditures of the State's Medicaid/NJ FamilyCare program and employee health benefits plans offered by State and local government employers.

The State Health Benefits Program and the School Employees' Health Benefits Program currently cover abortion services that are deemed medically necessary or elective under certain co-pay and deductible conditions. The State's Medicaid/NJ FamilyCare program, in turn, currently covers abortion services that are deemed medically necessary pursuant to program guidelines.

Section:	*Commerce, Labor and Industry*
Analyst:	*Juan Rodriguez* *Senior Fiscal Analyst*
Approved:	*Thomas Koenig* *Legislative Budget and Finance Officer*

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).