

SENATE, No. 512

STATE OF NEW JERSEY 219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Senator JOSEPH F. VITALE

District 19 (Middlesex)

Senator NELLIE POU

District 35 (Bergen and Passaic)

SYNOPSIS

Requires health insurers, SHBP, and SEHBP to provide coverage for certain drug regimens for treatment of AIDS or HIV under certain circumstances.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 **AN ACT** concerning health benefits coverage for certain drug
2 regimens 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. A hospital service corporation contract that provides
8 hospital and medical expense benefits and is delivered, issued,
9 executed, or renewed in this State, or approved for issuance or
10 renewal in this State by the Commissioner of Banking and
11 Insurance, on or after the effective date of this act, shall provide
12 coverage for expenses for prescribed combination antiretroviral
13 drug treatments that are medically necessary for the treatment of
14 AIDS or HIV. Coverage shall be provided as follows:

15 (1) Except as provided in paragraph (2) of this subsection,
16 coverage shall be required for a single tablet drug regimen in
17 situations in which that regimen is as effective as a multitablet
18 regimen.

19 (2) In situations in which a multitablet regimen, consistent with
20 clinical guidelines and peer-reviewed scientific and medical
21 literature, is clinically equally to, or more effective than, the single
22 tablet drug regimen, and more likely to result in patient adherence,
23 coverage shall be required for the multitablet regimen, provided the
24 peer review of the literature has been performed by a health care
25 provider with experience in treating infectious diseases.

26 b. A hospital service corporation that uses a prior authorization
27 process to assess medical necessity with respect to the coverage
28 required by this section shall complete that process within 14 days
29 of the request for authorization. If the hospital service corporation
30 fails to complete the prior authorization process in that time period,
31 the request for authorization shall be deemed to be approved.

32 c. As used in this section:

33 “AIDS” means acquired immune deficiency syndrome as defined
34 by the Centers for Disease Control and Prevention of the United
35 States Department of Health and Human Services.

36 “HIV” means the human immunodeficiency virus which has
37 been identified as the probable causative agent of AIDS.

38 d. The benefits required by this section shall be provided to the
39 same extent as for any other condition under the contract.

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

43

44 2. a. A medical service corporation contract that provides
45 hospital and medical expense benefits and is delivered, issued,
46 executed, or renewed in this State, or approved for issuance or
47 renewal in this State by the Commissioner of Banking and
48 Insurance, on or after the effective date of this act, shall provide

1 coverage for expenses for prescribed combination antiretroviral
2 drug treatments that are medically necessary for the treatment of
3 AIDS or HIV. Coverage shall be provided as follows:

4 (1) Except as provided in paragraph (2) of this subsection,
5 coverage shall be required for a single tablet drug regimen in
6 situations in which that regimen is as effective as a multitablet
7 regimen.

8 (2) In situations in which a multitablet regimen, consistent with
9 clinical guidelines and peer-reviewed scientific and medical
10 literature, is clinically equally to, or more effective than, the single
11 tablet drug regimen, and more likely to result in patient adherence,
12 coverage shall be required for the multitablet regimen, provided the
13 peer review of the literature has been performed by a health care
14 provider with experience in treating infectious diseases.

15 b. A medical service corporation that uses a prior authorization
16 process to assess medical necessity with respect to the coverage
17 required by this section shall complete that process within 14 days
18 of the request for authorization. If the medical service corporation
19 fails to complete the prior authorization process in that time period,
20 the request for authorization shall be deemed to be approved.

21 c. As used in this section

22 “AIDS” means acquired immune deficiency syndrome as defined
23 by the Centers for Disease Control and Prevention of the United
24 States Department of Health and Human Services.

25 “HIV” means the human immunodeficiency virus which has
26 been identified as the probable causative agent of AIDS.

27 d. The benefits required by this section shall be provided to the
28 same extent as for any other condition under the contract.

29 e. This section shall apply to those medical service corporation
30 contracts in which the medical service corporation has reserved the
31 right to change the premium.

32

33 3. a. A health service corporation contract that provides
34 hospital and medical expense benefits and is delivered, issued,
35 executed, or renewed in this State, or approved for issuance or
36 renewal in this State by the Commissioner of Banking and
37 Insurance, on or after the effective date of this act, shall provide
38 coverage for expenses for prescribed combination antiretroviral
39 drug treatments that are medically necessary for the treatment of
40 AIDS or HIV. Coverage shall be provided as follows:

41 (1) Except as provided in paragraph (2) of this subsection,
42 coverage shall be required for a single tablet drug regimen in
43 situations in which that regimen is as effective as a multitablet
44 regimen.

45 (2) In situations in which a multitablet regimen, consistent with
46 clinical guidelines and peer-reviewed scientific and medical
47 literature, is clinically equally to, or more effective than, the single
48 tablet drug regimen, and more likely to result in patient adherence,

- 1 coverage shall be required for the multitablet regimen, provided the
2 peer review of the literature has been performed by a health care
3 provider with experience in treating infectious diseases.
- 4 b. A health service corporation that uses a prior authorization
5 process to assess medical necessity with respect to the coverage
6 required by this section shall complete that process within 14 days
7 of the request for authorization. If the health service corporation
8 fails to complete the prior authorization process in that time period,
9 the request for authorization shall be deemed to be approved.
- 10 c. As used in this section:
- 11 “AIDS” means acquired immune deficiency syndrome as defined
12 by the Centers for Disease Control and Prevention of the United
13 States Department of Health and Human Services.
- 14 “HIV” means the human immunodeficiency virus which has
15 been identified as the probable causative agent of AIDS.
- 16 d. The benefits required by this section shall be provided to the
17 same extent as for any other condition under the contract.
- 18 e. This section shall apply to those health service corporation
19 contracts in which the health service corporation has reserved the
20 right to change the premium.
- 21
- 22 4. a. An individual health insurance policy that provides
23 hospital and medical expense benefits and is delivered, issued,
24 executed, or renewed in this State, or approved for issuance or
25 renewal in this State by the Commissioner of Banking and
26 Insurance, on or after the effective date of this act, shall provide
27 coverage for expenses for prescribed combination antiretroviral
28 drug treatments that are medically necessary for the treatment of
29 AIDS or HIV. Coverage shall be provided as follows:
- 30 (1) Except as provided in paragraph (2) of this subsection,
31 coverage shall be required for a single tablet drug regimen in
32 situations in which that regimen is as effective as a multitablet
33 regimen.
- 34 (2) In situations in which a multitablet regimen, consistent with
35 clinical guidelines and peer-reviewed scientific and medical
36 literature, is clinically equally to, or more effective than, the single
37 tablet drug regimen, and more likely to result in patient adherence,
38 coverage shall be required for the multitablet regimen, provided the
39 peer review of the literature has been performed by a health care
40 provider with experience in treating infectious diseases.
- 41 b. An insurer that uses a prior authorization process to assess
42 medical necessity with respect to the coverage required by this
43 section shall complete that process within 14 days of the request for
44 authorization. If the insurer fails to complete the prior authorization
45 process in that time period, the request for authorization shall be
46 deemed to be approved.

- 1 c. As used in this section:
- 2 “AIDS” means acquired immune deficiency syndrome as defined
- 3 by the Centers for Disease Control and Prevention of the United
- 4 States Department of Health and Human Services.
- 5 “HIV” means the human immunodeficiency virus which has
- 6 been identified as the probable causative agent of AIDS.
- 7 d. The benefits required by this section shall be provided to the
- 8 same extent as for any other condition under the policy.
- 9 e. This section shall apply to those policies in which the insurer
- 10 has reserved the right to change the premium.
- 11
- 12 5. a. A group health insurance policy that provides hospital
- 13 and medical expense benefits and is delivered, issued, executed, or
- 14 renewed in this State, or approved for issuance or renewal in this
- 15 State by the Commissioner of Banking and Insurance, on or after
- 16 the effective date of this act, shall provide coverage for expenses
- 17 for prescribed combination antiretroviral drug treatments that are
- 18 medically necessary for the treatment of AIDS or HIV. Coverage
- 19 shall be provided as follows:
- 20 (1) Except as provided in paragraph (2) of this subsection,
- 21 coverage shall be required for a single tablet drug regimen in
- 22 situations in which that regimen is as effective as a multitablet
- 23 regimen.
- 24 (2) In situations in which a multitablet regimen, consistent with
- 25 clinical guidelines and peer-reviewed scientific and medical
- 26 literature, is clinically equally to, or more effective than, the single
- 27 tablet drug regimen, and more likely to result in patient adherence,
- 28 coverage shall be required for the multitablet regimen, provided the
- 29 peer review of the literature has been performed by a health care
- 30 provider with experience in treating infectious diseases.
- 31 b. An insurer that uses a prior authorization process to assess
- 32 medical necessity with respect to the coverage required by this
- 33 section shall complete that process within 14 days of the request for
- 34 authorization. If the insurer fails to complete the prior authorization
- 35 process in that time period, the request for authorization shall be
- 36 deemed to be approved.
- 37 c. As used in this section:
- 38 “AIDS” means acquired immune deficiency syndrome as defined
- 39 by the Centers for Disease Control and Prevention of the United
- 40 States Department of Health and Human Services.
- 41 “HIV” means the human immunodeficiency virus which has
- 42 been identified as the probable causative agent of AIDS.
- 43 d. The benefits required by this section shall be provided to the
- 44 same extent as for any other condition under the policy.
- 45 e. This section shall apply to those policies in which the insurer
- 46 has reserved the right to change the premium.

1 6. a. An individual health benefits plan that provides hospital
2 and medical expense benefits and is delivered, issued, executed, or
3 renewed in this State pursuant to P.L.1992, c.161 (C.17B:27A-
4 2 et seq.), or approved for issuance or renewal in this State by the
5 Commissioner of Banking and Insurance, on or after the effective
6 date of this act, shall provide coverage for expenses for prescribed
7 combination antiretroviral drug treatments that are medically
8 necessary for the treatment of AIDS or HIV. Coverage shall be
9 provided as follows:

10 (1) Except as provided in paragraph (2) of this subsection,
11 coverage shall be required for a single tablet drug regimen in
12 situations in which that regimen is as effective as a multitablet
13 regimen.

14 (2) In situations in which a multitablet regimen, consistent with
15 clinical guidelines and peer-reviewed scientific and medical
16 literature, is clinically equally to, or more effective than, the single
17 tablet drug regimen, and more likely to result in patient adherence,
18 coverage shall be required for the multitablet regimen, provided the
19 peer review of the literature has been performed by a health care
20 provider with experience in treating infectious diseases.

21 b. A carrier that uses a prior authorization process to assess
22 medical necessity with respect to the coverage required by this
23 section shall complete that process within 14 days of the request for
24 authorization. If the carrier fails to complete the prior authorization
25 process in that time period, the request for authorization shall be
26 deemed to be approved.

27 c. As used in this section:

28 “AIDS” means acquired immune deficiency syndrome as defined
29 by the Centers for Disease Control and Prevention of the United
30 States Department of Health and Human Services.

31 “HIV” means the human immunodeficiency virus which has
32 been identified as the probable causative agent of AIDS.

33 d. The benefits required by this section shall be provided to the
34 same extent as for any other condition under the plan.

35 e. This section shall apply to those plans in which the carrier
36 has reserved the right to change the premium.

37

38 7. a. A small employer health benefits plan that provides
39 hospital and medical expense benefits and is delivered, issued,
40 executed, or renewed in this State pursuant to P.L.1992, c.162
41 (C.17B:27A-17 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 provide coverage for expenses
44 for prescribed combination antiretroviral drug treatments that are
45 medically necessary for the treatment of AIDS or HIV. Coverage
46 shall be provided as follows:

47 (1) Except as provided in paragraph (2) of this subsection,
48 coverage shall be required for a single tablet drug regimen in

1 situations in which that regimen is as effective as a multitablet
2 regimen.

3 (2) In situations in which a multitablet regimen, consistent with
4 clinical guidelines and peer-reviewed scientific and medical
5 literature, is clinically equally to, or more effective than, the single
6 tablet drug regimen, and more likely to result in patient adherence,
7 coverage shall be required for the multitablet regimen, provided the
8 peer review of the literature has been performed by a health care
9 provider with experience in treating infectious diseases.

10 b. A carrier that uses a prior authorization process to assess
11 medical necessity with respect to the coverage required by this
12 section shall complete that process within 14 days of the request for
13 authorization. If the carrier fails to complete the prior authorization
14 process in that time period, the request for authorization shall be
15 deemed to be approved.

16 c. As used in this section:

17 “AIDS” means acquired immune deficiency syndrome as defined
18 by the Centers for Disease Control and Prevention of the United
19 States Department of Health and Human Services.

20 “HIV” means the human immunodeficiency virus which has
21 been identified as the probable causative agent of AIDS.

22 d. The benefits required by this section shall be provided to the
23 same extent as for any other condition under the plan.

24 e. This section shall apply to those plans in which the carrier
25 has reserved the right to change the premium.

26

27 8. a. A health maintenance organization contract that provides
28 hospital and medical expense benefits and is delivered, issued,
29 executed, or renewed in this State, or approved for issuance or
30 renewal in this State by the Commissioner of Banking and
31 Insurance, on or after the effective date of this act, shall provide
32 coverage for expenses for prescribed combination antiretroviral
33 drug treatments that are medically necessary for the treatment of
34 AIDS or HIV. Coverage shall be provided as follows:

35 (1) Except as provided in paragraph (2) of this subsection,
36 coverage shall be required for a single tablet drug regimen in
37 situations in which that regimen is as effective as a multitablet
38 regimen.

39 (2) In situations in which a multitablet regimen, consistent with
40 clinical guidelines and peer-reviewed scientific and medical
41 literature, is clinically equally to, or more effective than, the single
42 tablet drug regimen, and more likely to result in patient adherence,
43 coverage shall be required for the multitablet regimen, provided the
44 peer review of the literature has been performed by a health care
45 provider with experience in treating infectious diseases.

46 b. A health maintenance organization that uses a prior
47 authorization process to assess medical necessity with respect to the
48 coverage required by this section shall complete that process within

1 14 days of the request for authorization. If the health maintenance
2 organization fails to complete the prior authorization process in that
3 time period, the request for authorization shall be deemed to be
4 approved.

5 c. As used in this section:

6 “AIDS” means acquired immune deficiency syndrome as defined
7 by the Centers for Disease Control and Prevention of the United
8 States Department of Health and Human Services.

9 “HIV” means the human immunodeficiency virus which has
10 been identified as the probable causative agent of AIDS.

11 d. The benefits required by this section shall be provided to the
12 same extent as for any other condition under the contract.

13 e. This section shall apply to those contracts for health care
14 services in which the health maintenance organization has reserved
15 the right to change the schedule of charges for enrollee coverage.
16

17 9. a. The State Health Benefits Commission shall ensure that
18 every contract purchased on or after the effective date of this act,
19 shall provide coverage for expenses for prescribed combination
20 antiretroviral drug treatments that are medically necessary for the
21 treatment of AIDS or HIV. Coverage shall be provided as follows:

22 (1) Except as provided in paragraph (2) of this subsection,
23 coverage shall be required for a single tablet drug regimen in
24 situations in which that regimen is as effective as a multitablet
25 regimen.

26 (2) In situations in which a multitablet regimen, consistent with
27 clinical guidelines and peer-reviewed scientific and medical
28 literature, is clinically equally to, or more effective than, the single
29 tablet drug regimen, and more likely to result in patient adherence,
30 coverage shall be required for the multitablet regimen, provided the
31 peer review of the literature has been performed by a health care
32 provider with experience in treating infectious diseases.

33 b. A carrier that uses a prior authorization process to assess
34 medical necessity with respect to the coverage required by this
35 section shall complete that process within 14 days of the request for
36 authorization. If the carrier fails to complete the prior authorization
37 process in that time period, the request for authorization shall be
38 deemed to be approved.

39 c. As used in this section:

40 “AIDS” means acquired immune deficiency syndrome as defined
41 by the Centers for Disease Control and Prevention of the United
42 States Department of Health and Human Services.

43 “HIV” means the human immunodeficiency virus which has
44 been identified as the probable causative agent of AIDS.

45 d. The benefits required by this section shall be provided to the
46 same extent as for any other condition under the contract.

1 The bill further specifies that coverage for this treatment shall be
2 required as follows:

3 (1) Coverage shall be required for a single tablet drug regimen
4 in situations in which that regimen is as effective as a multitablet
5 regimen.

6 (2) In situations in which the multitablet regimen, consistent
7 with clinical guidelines and peer-reviewed scientific and medical
8 literature, is clinically equally to, or more effective than, the single
9 tablet drug regimen, and more likely to result in patient adherence,
10 coverage shall be required for the multitablet regimen, provided the
11 peer review of the literature has been performed by a health care
12 provider with experience in treating infectious diseases.

13 The bill requires insurers that use a prior authorization process to
14 assess medical necessity with respect to the coverage required by
15 this bill to complete that process within 14 days of the request for
16 authorization. If the prior authorization process is not completed in
17 that time period, the request for authorization shall be deemed to be
18 approved.