

**SENATE, No. 1240**

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**STATE OF NEW JERSEY**  
**219th LEGISLATURE**

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INTRODUCED FEBRUARY 3, 2020

**Sponsored by:**

**Senator KRISTIN M. CORRADO**

**District 40 (Bergen, Essex, Morris and Passaic)**

**SYNOPSIS**

Requires health insurance coverage for annual mental health screening

**CURRENT VERSION OF TEXT**

As introduced.



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2

1 AN ACT concerning insurance coverage of mental health screenings  
2 and amending 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. Section 1 of P.L.1999, c.106 (C.17:48-6v) is amended to  
8 read as follows:

9 1. a. (1) Every individual and group hospital service  
10 corporation contract that provides hospital or medical expense  
11 benefits and is delivered, issued, executed or renewed in this State  
12 pursuant to P.L.1938, c.366 (C.17:48-1 et seq.), or approved for  
13 issuance or renewal in this State by the Commissioner of Banking  
14 and Insurance, on or after the effective date of this act shall provide  
15 coverage for mental health conditions and substance use disorders  
16 under the same terms and conditions as provided for any other  
17 sickness under the contract and shall meet the requirements of the  
18 federal Paul Wellstone and Pete Domenici Mental Health Parity and  
19 Addiction Equity Act of 2008, 42 U.S.C. s.18031(j), and any  
20 amendments to, and federal guidance or regulations issued under  
21 that act, including 45 C.F.R. Parts 146 and 147 and 45 C.F.R.  
22 s.156.115(a)(3).

23 Coverage shall include, but not be limited to, an annual  
24 screening for mental health conditions.

25 (2) As used in this section:

26 "Mental health condition" means a condition defined to be  
27 consistent with generally recognized independent standards of  
28 current medical practice referenced in the current version of the  
29 Diagnostic and Statistical Manual of Mental Disorders.

30 "Same terms and conditions" means that the hospital service  
31 corporation cannot apply more restrictive non-quantitative  
32 limitations, such as utilization review and other criteria or more  
33 quantitative limitations such as copayments, deductibles, aggregate  
34 or annual limits or benefit limits to mental health condition and  
35 substance use disorder benefits than those applied to substantially  
36 all other medical or surgical benefits.

37 "Substance use disorder" means a disorder defined to be  
38 consistent with generally recognized independent standards of  
39 current medical practice referenced in the most current version of  
40 the Diagnostic and Statistical Manual of Mental Disorders.

41 b. (Deleted by amendment, P.L.2019, c.58)

42 c. The provisions of this section shall apply to all contracts in  
43 which the hospital service corporation has reserved the right to  
44 change the premium.

45 d. Nothing in this section shall reduce the requirement for a

**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.

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1 hospital service corporation to provide benefits pursuant to section  
2 1 of P.L.2017, c.28 (C.17:48-6nn).

3 (cf: P.L.2019, c.58, s.1)

4

5 2. Section 2 of P.L.1999, c.106 (C.17:48A-7u) is amended to  
6 read as follows:

7 2. a. (1) Every individual and group medical service  
8 corporation contract that provides hospital or medical expense  
9 benefits that is delivered, issued, executed or renewed in this State  
10 pursuant to P.L.1940, c.74 (C.17:48A-1 et seq.), or approved for  
11 issuance or renewal in this State by the Commissioner of Banking  
12 and Insurance, on or after the effective date of this act shall provide  
13 coverage for mental health conditions and substance use disorders  
14 under the same terms and conditions as provided for any other  
15 sickness under the contract and shall meet the requirements of the  
16 federal Paul Wellstone and Pete Domenici Mental Health Parity and  
17 Addiction Equity Act of 2008, 42 U.S.C. s.18031(j), and any  
18 amendments to, and federal guidance or regulations issued under  
19 that act, including 45 s.C.F.R. Parts 146 and 147 and 45 C.F.R.  
20 s.156.115(a)(3).

21 Coverage shall include, but not be limited to, an annual  
22 screening for mental health conditions.

23 (2) As used in this section:

24 "Mental health condition" means a condition defined to be  
25 consistent with generally recognized independent standards of  
26 current medical practice referenced in the current version of the  
27 Diagnostic and Statistical Manual of Mental Disorders.

28 "Same terms and conditions" means that the medical service  
29 corporation cannot apply more restrictive non-quantitative  
30 limitations, such as utilization review and other criteria or more  
31 quantitative limitations such as copayments, deductibles, aggregate  
32 or annual limits or benefit limits to mental health condition and  
33 substance use disorder benefits than those applied to substantially  
34 all other medical or surgical benefits.

35 "Substance use disorder" means a disorder defined to be  
36 consistent with generally recognized independent standards of  
37 current medical practice referenced in the most current version of  
38 the Diagnostic and Statistical Manual of Mental Disorders.

39 b. (Deleted by amendment, P.L.2019, c.58)

40 c. The provisions of this section shall apply to all contracts in  
41 which the medical service corporation has reserved the right to  
42 change the premium.

43 d. Nothing in this section shall reduce the requirement for a  
44 medical service corporation to provide benefits pursuant to section  
45 2 of P.L.2017, c.28 (C.17:48A-7kk).

46 (cf: P.L.2019, c.58, s.2)

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1       3. Section 3 of P.L.1999, c.106 (C.17:48E-35.20) is amended  
2 to read as follows:

3       3. a. (1) Every individual and group health service corporation  
4 contract that provides hospital or medical expense benefits and is  
5 delivered, issued, executed or renewed in this State pursuant to  
6 P.L.1985, c.236 (C.17:48E-1 et seq.), or approved for issuance or  
7 renewal in this State by the Commissioner of Banking and  
8 Insurance, on or after the effective date of this act shall provide  
9 coverage for mental health conditions and substance use disorders  
10 under the same terms and conditions as provided for any other  
11 sickness under the contract and shall meet the requirements of the  
12 federal Paul Wellstone and Pete Domenici Mental Health Parity and  
13 Addiction Equity Act of 2008, 42 U.S.C. s.18031(j), and any  
14 amendments to, and federal guidance or regulations issued under  
15 that act, including 45 C.F.R. Parts 146 and 147 and 45 C.F.R.  
16 s.156.115(a)(3).

17       Coverage shall include, but not be limited to, an annual  
18 screening for mental health conditions.

19       (2) As used in this section:

20       "Mental health condition" means a condition defined to be  
21 consistent with generally recognized independent standards of  
22 current medical practice referenced in the current version of the  
23 Diagnostic and Statistical Manual of Mental Disorders.

24       "Same terms and conditions" means that the health service  
25 corporation cannot apply more restrictive non-quantitative  
26 limitations, such as utilization review and other criteria or more  
27 quantitative limitations such as copayments, deductibles, aggregate  
28 or annual limits or benefit limits to mental health condition and  
29 substance use disorder benefits than those applied to substantially  
30 all other medical or surgical benefits.

31       "Substance use disorder" means a disorder defined to be  
32 consistent with generally recognized independent standards of  
33 current medical practice referenced in the most current version of  
34 the Diagnostic and Statistical Manual of Mental Disorders.

35       b. (Deleted by amendment, P.L.2019, c.58)

36       c. The provisions of this section shall apply to all contracts in  
37 which the health service corporation has reserved the right to  
38 change the premium.

39       d. Nothing in this section shall reduce the requirement for a  
40 health service corporation to provide benefits pursuant to section 3  
41 of P.L.2017, c.28 (C.17:48E-35.38).

42 (cf: P.L.2019, c.58, s.3)

43

44       4. Section 4 of P.L.1999, c.106 (C.17B:26-2.1s) is amended to  
45 read as follows:

46       4. a. (1) Every individual health insurance policy that  
47 provides hospital or medical expense benefits and is delivered,  
48 issued, executed or renewed in this State pursuant to chapter 26 of

1 Title 17B of the New Jersey Statutes, or approved for issuance or  
2 renewal in this State by the Commissioner of Banking and  
3 Insurance, on or after the effective date of this act shall provide  
4 coverage for mental health conditions and substance use disorders  
5 under the same terms and conditions as provided for any other  
6 sickness under the contract and shall meet the requirements of the  
7 federal Paul Wellstone and Pete Domenici Mental Health Parity and  
8 Addiction Equity Act of 2008, 42 U.S.C. s.18031(j), and any  
9 amendments to, and federal guidance or regulations issued under  
10 that act, including 45 C.F.R. Parts 146 and 147 and 45 C.F.R.  
11 s.156.115(a)(3).

12 Coverage shall include, but not be limited to, an annual  
13 screening for mental health conditions.

14 (2) As used in this section:

15 "Mental health condition" means a condition defined to be  
16 consistent with generally recognized independent standards of  
17 current medical practice referenced in the current version of the  
18 Diagnostic and Statistical Manual of Mental Disorders.

19 "Same terms and conditions" means that the insurer cannot apply  
20 more restrictive non-quantitative limitations, such as utilization  
21 review and other criteria or more quantitative limitations such as  
22 copayments, deductibles, aggregate or annual limits or benefit  
23 limits to mental health condition and substance use disorder  
24 benefits than those applied to substantially all other medical or  
25 surgical benefits.

26 "Substance use disorder" means a disorder defined to be  
27 consistent with generally recognized independent standards of  
28 current medical practice referenced in the most current version of  
29 the Diagnostic and Statistical Manual of Mental Disorders.

30 b. (Deleted by amendment, P.L.2019, c.58)

31 c. The provisions of this section shall apply to all policies in  
32 which the insurer has reserved the right to change the premium.

33 d. Nothing in this section shall reduce the requirement for an  
34 insurer to provide benefits pursuant to section 4 of P.L.2017, c.28  
35 (C.17B:26-2.1hh).

36 (cf: P.L.2019, c.58, s.4)

37

38 5. Section 5 of P.L.1999, c.106 (C.17B:27-46.1v) is amended  
39 to read as follows:

40 5. a. (1) Every group health insurance policy that provides  
41 hospital or medical expense benefits and is delivered, issued,  
42 executed or renewed in this State pursuant to chapter 27 of Title  
43 17B of the New Jersey Statutes, or approved for issuance or renewal  
44 in this State by the Commissioner of Banking and Insurance, on or  
45 after the effective date of this act shall provide benefits for mental  
46 health conditions and substance use disorders under the same terms  
47 and conditions as provided for any other sickness under the policy  
48 and shall meet the requirements of the federal Paul Wellstone and

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1 Pete Domenici Mental Health Parity and Addiction Equity Act of  
2 2008, 42 U.S.C. s.18031(j), and any amendments to, and federal  
3 guidance or regulations issued under that act, including 45 C.F.R.  
4 Parts 146 and 147 and 45 C.F.R. s.156.115(a)(3).

5 Benefits shall include, but not be limited to, an annual screening  
6 for mental health conditions.

7 (2) As used in this section:

8 "Mental health condition" means a condition defined to be  
9 consistent with generally recognized independent standards of  
10 current medical practice referenced in the current version of the  
11 Diagnostic and Statistical Manual of Mental Disorders.

12 "Same terms and conditions" means that the insurer cannot apply  
13 more restrictive non-quantitative limitations, such as utilization  
14 review and other criteria or more quantitative limitations such as  
15 copayments, deductibles, aggregate or annual limits or benefit  
16 limits to mental health condition and substance use disorder  
17 benefits than those applied to substantially all other medical or  
18 surgical benefits.

19 "Substance use disorder" means a disorder defined to be consistent  
20 with generally recognized independent standards of current medical  
21 practice referenced in the most current version of the Diagnostic  
22 and Statistical Manual of Mental Disorders.

23 b. (Deleted by amendment, P.L.2019, c.59)

24 c. The provisions of this section shall apply to all policies in  
25 which the insurer has reserved the right to change the premium.

26 d. Nothing in this section shall reduce the requirement for an  
27 insurer to provide benefits pursuant to section 5 of P.L.2017, c.28  
28 (C.17B:27-46.1nn).

29 (cf: P.L.2019, c.58, s.5)

30

31 6. Section 2 of P.L.1999, c.106 (C.17B:27A-7.5) is amended to  
32 read as follows:

33 6. a. (1) Every individual health benefits plan that provides  
34 hospital or medical expense benefits and is delivered, issued,  
35 executed or renewed in this State pursuant to P.L.1992, c.161  
36 (C.17B:27A-2 et seq.) or approved for issuance or renewal in this  
37 State on or after the effective date of this act shall provide benefits  
38 for mental health conditions and substance use disorders under the  
39 same terms and conditions as provided for any other sickness under  
40 the health benefits plan and shall meet the requirements of the  
41 federal Paul Wellstone and Pete Domenici Mental Health Parity and  
42 Addiction Equity Act of 2008, 42 U.S.C. s.18031(j), and any  
43 amendments to, and federal guidance or regulations issued under  
44 that act, including 45 C.F.R. Parts 146 and 147 and 45 C.F.R.  
45 s.156.115(a)(3).

46 Benefits shall include, but not be limited to, an annual screening  
47 for mental health conditions.

48 (2) As used in this section:

1 "Mental health condition" means a condition defined to be  
2 consistent with generally recognized independent standards of  
3 current medical practice referenced in the current version of the  
4 Diagnostic and Statistical Manual of Mental Disorders.

5 "Same terms and conditions" means that the plan cannot apply  
6 more restrictive non-quantitative limitations, such as utilization  
7 review and other criteria or more quantitative limitations such as  
8 copayments, deductibles, aggregate or annual limits or benefit  
9 limits to mental health condition and substance use disorder  
10 benefits than those applied to substantially all other medical or  
11 surgical benefits.

12 "Substance use disorder" means a disorder defined to be  
13 consistent with generally recognized independent standards of  
14 current medical practice referenced in the most current version of  
15 the Diagnostic and Statistical Manual of Mental Disorders.

16 b. (Deleted by amendment, P.L.2019, c.58)

17 c. The provisions of this section shall apply to all health  
18 benefits plans in which the carrier has reserved the right to change  
19 the premium.

20 d. Nothing in this section shall reduce the requirement for a  
21 plan to provide benefits pursuant to section 6 of P.L.2017, c.28  
22 (C.17B:27A-7.21).

23 (cf: P.L.2019, c.58, s.6)

24

25 7. Section 7 of P.L.1999, c.106 (C.17B:27A-19.7) is amended  
26 to read as follows:

27 7. a (1) Every small employer health benefits plan that  
28 provides hospital or medical expense benefits and is delivered,  
29 issued, executed or renewed in this State pursuant to P.L.1992,  
30 c.162 (C.17B:27A-17 et seq.) or approved for issuance or renewal  
31 in this State on or after the effective date of this act shall provide  
32 benefits for mental health conditions and substance use disorders  
33 under the same terms and conditions as provided for any other  
34 sickness under the health benefits plan and shall meet the  
35 requirements of the federal Paul Wellstone and Pete Domenici  
36 Mental Health Parity and Addiction Equity Act of 2008, 42 U.S.C.  
37 s.18031(j), and any amendments to, and federal guidance or  
38 regulations issued under that act, including 45 C.F.R. Parts 146 and  
39 147 and 45 C.F.R. s.156.115(a)(3).

40 Benefits shall include, but not be limited to, an annual screening  
41 for mental health conditions.

42 (2) As used in this section:

43 "Mental health condition" means a condition defined to be  
44 consistent with generally recognized independent standards of  
45 current medical practice referenced in the current version of the  
46 Diagnostic and Statistical Manual of Mental Disorders.

47 "Same terms and conditions" means that the plan cannot apply  
48 more restrictive non-quantitative limitations, such as utilization

1 review and other criteria or more quantitative limitations such as  
2 copayments, deductibles, aggregate or annual limits or benefit  
3 limits to mental health condition and substance use disorder  
4 benefits than those applied to substantially all other medical or  
5 surgical benefits.

6 "Substance use disorder" means a disorder defined to be  
7 consistent with generally recognized independent standards of  
8 current medical practice referenced in the most current version of  
9 the Diagnostic and Statistical Manual of Mental Disorders.

10 b. (Deleted by amendment, P.L.2019, c.58)

11 c. The provisions of this section shall apply to all health  
12 benefits plans in which the carrier has reserved the right to change  
13 the premium.

14 d. Nothing in this section shall reduce the requirement for a  
15 plan to provide benefits pursuant to section 7 of P.L.2017, c.28  
16 (C.17B:27A-19.25).

17 (cf: P.L.2019, c.58, s.7)

18

19 8. Section 8 of P.L.1999, c.106 (C.26:2J-4.20) is amended to  
20 read as follows:

21 8. a. (1) Every enrollee agreement delivered, issued,  
22 executed, or renewed in this State pursuant to P.L.1973, c.337  
23 (C.26:2J-1 et seq.) or approved for issuance or renewal in this State  
24 by the Commissioner of Banking and Insurance, on or after the  
25 effective date of this act shall provide health care services for  
26 mental health conditions and substance use disorders under the  
27 same terms and conditions as provided for any other sickness under  
28 the agreement and shall meet the requirements of the federal Paul  
29 Wellstone and Pete Domenici Mental Health Parity and Addiction  
30 Equity Act of 2008, 42 U.S.C. s.18031(j), and any amendments to,  
31 and federal guidance or regulations issued under that act, including  
32 45 C.F.R. Parts 146 and 147 and 45 C.F.R. s.156.115(a)(3).

33 Health care services shall include, but not be limited to, an  
34 annual screening for mental health conditions.

35 (2) As used in this section:

36 "Mental health condition" means a condition defined to be  
37 consistent with generally recognized independent standards of  
38 current medical practice referenced in the current version of the  
39 Diagnostic and Statistical Manual of Mental Disorders.

40 "Same terms and conditions" means that the health maintenance  
41 organization cannot apply more restrictive non-quantitative  
42 limitations, such as utilization review and other criteria or more  
43 quantitative limitations such as copayments, deductibles,, aggregate  
44 or annual limits or health care services limits to mental health  
45 condition and substance use disorder services than those applied to  
46 substantially all other medical or surgical health care services.

47 "Substance use disorder" means a disorder defined to be  
48 consistent with generally recognized independent standards of



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1 current medical practice referenced in the most current version of  
2 the Diagnostic and Statistical Manual of Mental Disorders.

3 b. (Deleted by amendment, P.L.2019, c.58)

4 c. The provisions of this section shall apply to enrollee  
5 agreements in which the health maintenance organization has  
6 reserved the right to change the premium.

7 d. Nothing in this section shall reduce the requirement for a  
8 health maintenance organization to provide benefits pursuant to  
9 section 8 of P.L.2017, c.28 (C.26:2J-4.39).

10 (cf: P.L.2019, c.58, s.8)

11

12 9. Section 2 of P.L.1999, c.441 (C.52:14-17.29e) is amended to  
13 read as follows:

14 2. a. The State Health Benefits Commission shall ensure that  
15 every contract purchased by the commission on or after the  
16 effective date of this act that provides hospital or medical expense  
17 benefits shall provide coverage for mental health conditions and  
18 substance use disorders under the same terms and conditions as  
19 provided for any other sickness under the contract and shall meet  
20 the requirements of the federal Paul Wellstone and Pete Domenici  
21 Mental Health Parity and Addiction Equity Act of 2008, 42 U.S.C.  
22 s.18031(j), and any amendments to, and federal guidance or  
23 regulations issued under that act, including 45 C.F.R. Parts 146 and  
24 147 and 45 C.F.R. s.156.115(a)(3).

25 Coverage shall include, but not be limited to, an annual  
26 screening for mental health conditions.

27 b. The commission shall provide notice to employees regarding  
28 the coverage required by this section in accordance with this  
29 subsection and regulations promulgated by the Commissioner of  
30 Health pursuant to the "Administrative Procedure Act," P.L.1968,  
31 c.410 (C.52:14B-1 et seq.). The notice shall be in writing and  
32 prominently positioned in any literature or correspondence and shall  
33 be transmitted at the earliest of: (1) the next mailing to the  
34 employee; (2) the yearly informational packet sent to the employee;  
35 or (3) July 1, 2000. The commission shall also ensure that the  
36 carrier under contract with the commission, upon receipt of  
37 information that a covered person is receiving treatment for a  
38 mental health condition or substance use disorder, shall promptly  
39 notify that person of the coverage required by this section.

40 c. Nothing in this section shall reduce the requirement for a  
41 carrier to provide benefits pursuant to section 9 of P.L.2017, c.28  
42 (C.52:14-17.29u).

43 (cf: P.L.2019, c.58, s.10)

44

45 10. This act shall take effect on the 90th day next following the  
46 date of enactment and shall apply to all contracts and policies  
47 delivered, issued, executed or renewed on or after that date.

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STATEMENT

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3       This bill requires health insurers (health, hospital, and medical  
4 service corporations, commercial individual and group health  
5 insurers, health maintenance organizations, health benefits plans  
6 issued pursuant to the New Jersey Individual Health Coverage and  
7 Small Employer Health Benefits Programs, and the State Health  
8 Benefits Program) to provide coverage for an annual mental health  
9 screening.

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