

SENATE, No. 3588

STATE OF NEW JERSEY
219th LEGISLATURE

INTRODUCED MARCH 25, 2021

Sponsored by:

Senator KRISTIN M. CORRADO

District 40 (Bergen, Essex, Morris and Passaic)

SYNOPSIS

Requires health benefits carriers to allow parents or guardians of dependent child to determine order of benefits under certain circumstances.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning health benefits dependent coverage and
2 supplementing P.L.1997, c.192 (C.26:2S-1 et seq.).
3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:
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7 1. a. Except as provided in subsection b. of this section, a health
8 benefits plan offered by a carrier in this State shall allow the parents or
9 guardians of a child who has coverage as a dependent under two or
10 more health benefits plans of different subscribers to determine the
11 order of benefits for the child among the plans.

12 b. If a court order provides that one of the parents or guardians is
13 responsible for the dependent child's health care expenses or health
14 care coverage, that plan shall be primary. If the parent or guardian
15 with responsibility has no health care coverage for the dependent
16 child's health care expenses, but the spouse of the parent or guardian
17 has health care coverage, that spouse's plan shall be the primary plan.

18 c. The Commissioner of Banking and Insurance shall promulgate
19 rules and regulations to effectuate this act, including rules for the
20 provision of notice by a carrier to a covered person describing the
21 person's right to determine order of benefits pursuant to this act. The
22 rules and regulations shall also include rules for the determination of
23 the order of benefits for a dependent child who is covered by a self-
24 funded health benefits plan and a health benefits plan offered by a
25 carrier in this State.

26 d. As used in this act, "carrier" means an insurance company,
27 health service corporation, hospital service corporation, medical
28 service corporation, or health maintenance organization authorized
29 to issue health benefits plans in this State, and shall include the
30 State Health Benefits Program and the School Employees' Health
31 Benefits Program.
32

33 2. This act shall take effect on 30th day next following
34 enactment, and shall apply to all health benefits plans currently in
35 effect in the State, or that are delivered, issued, executed or
36 renewed in this State, or approved for issuance or renewal in this
37 State by the Commissioner of Banking and Insurance, on or after
38 the effective date of this act.
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41 STATEMENT
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43 This bill requires health benefits carriers to allow the parents or
44 guardians of a dependent child to determine the order of benefits
45 under certain circumstances.

46 Specifically, the bill provides that a health benefits plan offered
47 by a carrier in this State is required to allow the parents or
48 guardians of a dependent child to determine the order of benefits for

1 the child among the plans, if the child has coverage as a dependent
2 under two or more health benefits plans of different subscribers.

3 The bill provides that, if a court order provides that one of the
4 parents or guardians is responsible for the dependent child's health
5 care expenses or health care coverage, that plan is primary. If the
6 parent or guardian with responsibility has no health care coverage
7 for the dependent child's health care expenses, but the spouse of the
8 parent or guardian has health care coverage, that spouse's plan is
9 required to be the primary plan.