

ASSEMBLY, No. 2547

STATE OF NEW JERSEY 220th LEGISLATURE

INTRODUCED FEBRUARY 14, 2022

Sponsored by:

Assemblywoman CAROL A. MURPHY

District 7 (Burlington)

SYNOPSIS

Requires health benefits coverage of hearing aids for all ages.

CURRENT VERSION OF TEXT

As introduced.



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2

1 AN ACT requiring health benefits coverage for hearing aids for all
2 ages, amending P.L.2008, c.126 and supplementing P.L.2007,
3 c.103 (C 52:14-17.46).

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5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

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8 1. Section 2 of P.L.2008, c.126 (C.17:48-6gg) is amended to
9 read as follows:

10 2. A hospital service corporation contract that provides hospital
11 and medical expense benefits and is delivered, issued, executed or
12 renewed in this State pursuant to P.L.1938, c.366 (C.17:48-1 et
13 seq.), or approved for issuance or renewal in this State by the
14 Commissioner of Banking and Insurance, on or after the effective
15 date of this act, shall provide coverage for medically necessary
16 expenses incurred in the purchase of a hearing aid for a covered
17 person **[15 years of age or younger,]** as provided in this section.

18 A hospital service corporation contract shall provide coverage
19 that includes the purchase of a hearing aid for each ear, when
20 medically necessary and as prescribed or recommended by a
21 licensed physician or audiologist. A hospital service corporation
22 may limit the benefit provided in this section to \$1,000 per hearing
23 aid for each hearing-impaired ear every 24 months. A covered
24 person may choose a hearing aid that is priced higher than the
25 benefit payable under this section and may pay the difference
26 between the price of the hearing aid and the benefit payable under
27 this section, without financial or contractual penalty to the provider
28 of the hearing aid.

29 The benefits shall be provided to the same extent as for any other
30 condition under the contract.

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

34 (cf: P.L.2008, c.126, s.2)

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36 2. Section 3 of P.L.2008, c.126 (C.17:48A-7dd) is amended to
37 read as follows:

38 3. A medical service corporation contract that provides hospital
39 and medical expense benefits and is delivered, issued, executed or
40 renewed in this State pursuant to P.L.1940, c.74 (C.17:48A-1 et
41 seq.), or approved for issuance or renewal in this State by the
42 Commissioner of Banking and Insurance, on or after the effective
43 date of this act, shall provide coverage for medically necessary
44 expenses incurred in the purchase of a hearing aid for a covered
45 person **[15 years of age or younger,]** as provided in this section.

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 A medical service corporation contract shall provide coverage
2 that includes the purchase of a hearing aid for each ear, when
3 medically necessary and as prescribed or recommended by a
4 licensed physician or audiologist. A medical service corporation
5 may limit the benefit provided in this section to \$1,000 per hearing
6 aid for each hearing-impaired ear every 24 months. A covered
7 person may choose a hearing aid that is priced higher than the
8 benefit payable under this section and may pay the difference
9 between the price of the hearing aid and the benefit payable under
10 this section, without financial or contractual penalty to the provider
11 of the hearing aid.

12 The benefits shall be provided to the same extent as for any other
13 condition under the contract.

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

17 (cf: P.L.2008, c.126, s.3)

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19 3. Section 4 of P.L.2008, c.126 (C.17:48E-35.31) is amended
20 to read as follows:

21 4. A health service corporation contract that provides hospital
22 and medical expense benefits and is delivered, issued, executed or
23 renewed in this State pursuant to P.L.1985, c.236 (C.17:48E-1 et
24 al.), or approved for issuance or renewal in this State by the
25 Commissioner of Banking and Insurance, on or after the effective
26 date of this act, shall provide coverage for medically necessary
27 expenses incurred in the purchase of a hearing aid for a covered
28 person **[15 years of age or younger,]** as provided in this section.

29 A health service corporation contract shall provide coverage that
30 includes the purchase of a hearing aid for each ear, when medically
31 necessary and as prescribed or recommended by a licensed
32 physician or audiologist. A health service corporation may limit the
33 benefit provided in this section to \$1,000 per hearing aid for each
34 hearing-impaired ear every 24 months. A covered person may
35 choose a hearing aid that is priced higher than the benefit payable
36 under this section and may pay the difference between the price of
37 the hearing aid and the benefit payable under this section, without
38 financial or contractual penalty to the provider of the hearing aid.

39 The benefits shall be provided to the same extent as for any other
40 condition under the contract.

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

44 (cf: P.L.2008, c.126, s.4)

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46 4. Section 5 of P.L.2008, c.126 (C.17B:26-2.1aa) is amended to
47 read as follows:

1 5. An individual health insurance policy that provides hospital
2 and medical expense benefits and is delivered, issued, executed or
3 renewed in this State pursuant to chapter 26 of Title 17B of the New
4 Jersey Statutes, or approved for issuance or renewal in this State by
5 the Commissioner of Banking and Insurance, on or after the
6 effective date of this act, shall provide coverage for medically
7 necessary expenses incurred in the purchase of a hearing aid for a
8 covered person **【15 years of age or younger,】** as provided in this
9 section.

10 A policy shall provide coverage that includes the purchase of a
11 hearing aid for each ear, when medically necessary and as
12 prescribed or recommended by a licensed physician or audiologist.
13 An insurer may limit the benefit provided in this section to \$1,000
14 per hearing aid for each hearing-impaired ear every 24 months. A
15 covered person may choose a hearing aid that is priced higher than
16 the benefit payable under this section and may pay the difference
17 between the price of the hearing aid and the benefit payable under
18 this section, without financial or contractual penalty to the provider
19 of the hearing aid.

20 The benefits shall be provided to the same extent as for any other
21 condition under the policy.

22 This section shall apply to those policies in which the insurer has
23 reserved the right to change the premium.

24 (cf: P.L.2008, c.126, s.5)

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26 5. Section 6 of P.L.2008, c.126 (C.17B:27-46.1gg) is amended
27 to read as follows:

28 6. A group health insurance policy that provides hospital and
29 medical expense benefits and is delivered, issued, executed or
30 renewed in this State pursuant to chapter 27 of Title 17B of the New
31 Jersey Statutes, or approved for issuance or renewal in this State by
32 the Commissioner of Banking and Insurance, on or after the
33 effective date of this act, shall provide coverage for medically
34 necessary expenses incurred in the purchase of a hearing aid for a
35 covered person **【15 years of age or younger,】** as provided in this
36 section.

37 A policy shall provide coverage that includes the purchase of a
38 hearing aid for each ear, when medically necessary and as
39 prescribed or recommended by a licensed physician or audiologist.
40 An insurer may limit the benefit provided in this section to \$1,000
41 per hearing aid for each hearing-impaired ear every 24 months. A
42 covered person may choose a hearing aid that is priced higher than
43 the benefit payable under this section and may pay the difference
44 between the price of the hearing aid and the benefit payable under
45 this section, without financial or contractual penalty to the provider
46 of the hearing aid.

47 The benefits shall be provided to the same extent as for any other
48 condition under the policy.

1 This section shall apply to those policies in which the insurer has
2 reserved the right to change the premium.

3 (cf: P.L.2008, c.126, s.6)

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5 6. Section 7 of P.L.2008, c.126 (C.17B:27A-7.14) is amended
6 to read as follows:

7 7. An individual health benefits plan that provides hospital and
8 medical expense benefits and is delivered, issued, executed or
9 renewed in this State pursuant to P.L.1992, c.161 (C.17B:27A-2 et
10 al.), on or after the effective date of this act, shall provide coverage
11 for medically necessary expenses incurred in the purchase of a
12 hearing aid for a covered person **【15 years of age or younger,】** as
13 provided in this section.

14 A health benefits plan shall provide coverage that includes the
15 purchase of a hearing aid for each ear, when medically necessary
16 and as prescribed or recommended by a licensed physician or
17 audiologist. A carrier may limit the benefit provided in this section
18 to \$1,000 per hearing aid for each hearing-impaired ear every 24
19 months. A covered person may choose a hearing aid that is priced
20 higher than the benefit payable under this section and may pay the
21 difference between the price of the hearing aid and the benefit
22 payable under this section, without financial or contractual penalty
23 to the provider of the hearing aid.

24 The benefits shall be provided to the same extent as for any other
25 condition under the health benefits plan.

26 This section shall apply to those health benefits plans in which
27 the carrier has reserved the right to change the premium.

28 (cf: P.L.2008, c.126, s.7)

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30 7. Section 8 of P.L.2008, c.126 (C.17B:27A-19.18) is amended
31 to read as follows:

32 8. A small employer health benefits plan that provides hospital
33 and medical expense benefits and is delivered, issued, executed or
34 renewed in this State pursuant to P.L.1992, c.162 (C.17B:27A-17 et
35 seq.), on or after the effective date of this act, shall provide
36 coverage for medically necessary expenses incurred in the purchase
37 of a hearing aid for a covered person **【15 years of age or younger,】**
38 as provided in this section.

39 A health benefits plan shall provide coverage that includes the
40 purchase of a hearing aid for each ear, when medically necessary
41 and as prescribed or recommended by a licensed physician or
42 audiologist. A carrier may limit the benefit provided in this section
43 to \$1,000 per hearing aid for each hearing-impaired ear every 24
44 months. A covered person may choose a hearing aid that is priced
45 higher than the benefit payable under this section and may pay the
46 difference between the price of the hearing aid and the benefit
47 payable under this section, without financial or contractual penalty
48 to the provider of the hearing aid.

1 The benefits shall be provided to the same extent as for any other
2 condition under the health benefits plan.

3 This section shall apply to those health benefits plans in which
4 the carrier has reserved the right to change the premium.
5 (cf: P.L.2008, c.126, s.8)

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7 8. Section 9 of P.L.2008, c.126 (C.26:2J-4.32) is amended to
8 read as follows:

9 9. A health maintenance organization contract for health care
10 services that is delivered, issued, executed or renewed in this State
11 pursuant to P.L.1973, c.337 (C.26:2J-1 et seq.), or approved for
12 issuance or renewal in this State by the Commissioner of Banking
13 and Insurance, on or after the effective date of this act, shall provide
14 health care services for medically necessary expenses incurred in
15 the purchase of a hearing aid for an enrollee [15 years of age or
16 younger,] as provided in this section.

17 The health care services shall include the purchase of a hearing
18 aid for each ear, when medically necessary and as prescribed or
19 recommended by a licensed physician or audiologist. A health
20 maintenance organization may limit the health care services
21 provided in this section to \$1,000 per hearing aid for each hearing-
22 impaired ear every 24 months. An enrollee may choose a hearing
23 aid that is priced higher than the health care services payable under
24 this section and may pay the difference between the price of the
25 hearing aid and the health care services payable under this section,
26 without financial or contractual penalty to the provider of the
27 hearing aid.

28 The health care services shall be provided to the same extent as
29 for any other condition under the contract.

30 This section shall apply to those contracts for health care
31 services under which the right to change the schedule of charges for
32 enrollee coverage is reserved.
33 (cf: P.L.2008, c.126, s.9)

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35 9. Section 10 of P.L.2008, c.126 (C.52:14-17.29n) is amended
36 to read as follows:

37 10. The State Health Benefits Commission shall, on or after the
38 effective date of this act, provide benefits for medically necessary
39 expenses incurred in the purchase of a hearing aid for a covered
40 person [15 years of age or younger,] as provided in this section.

41 The benefits shall include the purchase of a hearing aid for each
42 ear, when medically necessary and as prescribed or recommended
43 by a licensed physician or audiologist. The commission may limit
44 the benefit provided in this section to \$1,000 per hearing aid for
45 each hearing-impaired ear every 24 months. A covered person may
46 choose a hearing aid that is priced higher than the benefit payable
47 under this section and may pay the difference between the price of

1 the hearing aid and the benefit payable under this section, without
2 financial or contractual penalty to the provider of the hearing aid.
3 (cf: P.L.2008, c.126, s.10)

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5 10. Section 11 of P.L.2008, c.126 (C.30:4J-12.2) is amended to
6 read as follows:

7 11. The Commissioner of Human Services shall ensure that
8 every contract for health care services under the NJ FamilyCare
9 Program established pursuant to sections 3 through 5 of P.L.2005,
10 c.156 (C.30:4J-10 through C.30:4J-12), entered into on or after the
11 effective date of this act, provides benefits for medically necessary
12 expenses incurred in the purchase of a hearing aid for a covered
13 person **【15 years of age or younger,】** as provided in this section.

14 The benefits shall include the purchase of a hearing aid for each
15 ear, when medically necessary and as prescribed or recommended
16 by a licensed physician or audiologist. The commissioner may limit
17 the benefit provided in this section to \$1,000 per hearing aid for
18 each hearing-impaired ear every 24 months in any of the NJ
19 FamilyCare Program plans, and may provide, when applicable, that
20 a covered person may choose a hearing aid that is priced higher
21 than the benefit payable under this section and may pay the
22 difference between the price of the hearing aid and the benefit
23 payable under this section, without financial or contractual penalty
24 to the provider of the hearing aid.

25 (cf: P.L.2008, c.126, s.11)

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27 11. (New section) The School Employees' Health Benefits
28 Commission shall ensure that every contract purchased by the
29 commission on or after the effective date of this act provides
30 benefits for medically necessary expenses incurred in the purchase
31 of a hearing aid for a covered person as provided in this section.

32 The benefits shall include the purchase of a hearing aid for each
33 ear, when medically necessary as prescribed or recommended by a
34 licensed physician or audiologist. The commission may limit the
35 benefit provided in this section to \$1,000 per hearing aid for each
36 hearing-impaired ear every 24 months. A covered person may
37 choose a hearing aid that is priced higher than the benefit payable
38 under this section and may pay the difference between the price of
39 the hearing aid and the benefit payable under this section, without
40 financial or contractual penalty to the provider of the hearing aid.

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42 12. This act shall take effect on the 90th day after the date of
43 enactment.

STATEMENT

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This bill amends P.L.2008, c.126, “Grace’s Law,” by removing the specification that health insurers (health, hospital, and medical service corporations, commercial individual and group health insurers, health maintenance organizations, health benefits plans issued pursuant to the New Jersey Individual Health Coverage and Small Employer Health Benefits Programs, the State Health Benefits Program, and the NJ FamilyCare Program) provide coverage for expenses incurred in the purchase of a hearing aid only for covered persons who are 15 years old or younger. The bill generalizes the requirement so that health insurers must provide these benefits regardless of the covered person’s age.

In addition, the bill supplements P.L.2007, c.103 (C.52:14-17.46.1 et seq.) to require the School Employees’ Health Benefits Commission to ensure that every contract purchased by the commission meets the same requirements for hearing aid coverage as “Grace’s Law.”

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