

Chapter 113, P.L. 2009

(Approved August 12, 2009)

[First Reprint]

ASSEMBLY, No. 2539

STATE OF NEW JERSEY

213th LEGISLATURE

INTRODUCED MAY 5, 2008

Sponsored by:

Assemblywoman CARIDAD RODRIGUEZ

District 33 (Hudson)

Assemblyman RUBEN J. RAMOS, JR.

District 33 (Hudson)

Co-Sponsored by:

Senators Gill and Scutari

SYNOPSIS

(Sponsorship Updated As Of: 6/26/2009)

Requires installment payments for maternity services covered by certain health benefits plans.

CURRENT VERSION OF TEXT

As reported by the Senate Commerce Committee on May 14, 2009, with amendments.

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1 AN ACT concerning installment payments for maternity services by
2 certain health benefits plans and supplementing various parts of
3 the statutory law.

4
5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

7
8 1. a. Every individual or group hospital service corporation
9 contract that provides benefits for maternity services, and that is
10 delivered, issued, executed or renewed in this State 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 for reimbursement in installments to an obstetrical provider licensed
14 in New Jersey for maternity services rendered during the term of a
15 covered person's pregnancy.

16 b. For the purposes of this section, "obstetrical provider licensed
17 in New Jersey" means:

18 (1) an obstetrician/gynecologist licensed by the State Board of
19 Medical Examiners; or

20 (2) a midwife licensed by the State Board of Medical Examiners
21 as a certified midwife or a certified nurse midwife.

22 c. This section shall apply to all hospital service corporation
23 contracts in which the hospital service corporation has reserved the
24 right to change the premium.

25
26 2. a. Every individual or group medical service corporation
27 contract that provides benefits for maternity services, and that is
28 delivered, issued, executed or renewed in this State, or approved for
29 issuance or renewal in this State by the Commissioner of Banking
30 and Insurance on or after the effective date of this act, shall provide
31 for reimbursement in installments to an obstetrical provider licensed
32 in New Jersey for maternity services rendered during the term of 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.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SCM committee amendments adopted May 14, 2009.

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- 1 covered person's pregnancy.
- 2 b. For the purposes of this section, "obstetrical provider licensed
3 in New Jersey" means:
- 4 (1) an obstetrician/gynecologist licensed by the State Board of
5 Medical Examiners; or
- 6 (2) a midwife licensed by the State Board of Medical Examiners
7 as a certified midwife or a certified nurse midwife.
- 8 c. This section shall apply to all medical service corporation
9 contracts in which the medical service corporation has reserved the
10 right to change the premium.
- 11
- 12 3. a. Every individual or group health service corporation

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1 contract that provides benefits for maternity services, and that is
2 delivered, issued, executed or renewed in this State, or approved for
3 issuance or renewal in this State by the Commissioner of Banking
4 and Insurance on or after the effective date of this act, shall provide
5 for reimbursement in installments to an obstetrical provider licensed
6 in New Jersey for maternity services rendered during the term of a
7 covered person's pregnancy.

8 b. For the purposes of this section, "obstetrical provider licensed
9 in New Jersey" means:

10 (1) an obstetrician/gynecologist licensed by the State Board of
11 Medical Examiners; or

12 (2) a midwife licensed by the State Board of Medical Examiners
13 as a certified midwife or a certified nurse midwife.

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

17

18 4. a. Every individual health insurance policy that provides
19 benefits for maternity services, and that is delivered, issued,
20 executed or renewed in this State, or approved for issuance or
21 renewal in this State by the Commissioner of Banking and
22 Insurance on or after the effective date of this act, shall provide for
23 reimbursement in installments to an obstetrical provider licensed in
24 New Jersey for maternity services rendered during the term of a
25 covered person's pregnancy.

26 b. For the purposes of this section, "obstetrical provider licensed
27 in New Jersey" means:

28 (1) an obstetrician/gynecologist licensed by the State Board of
29 Medical Examiners; or

30 (2) a midwife licensed by the State Board of Medical Examiners
31 as a certified midwife or a certified nurse midwife.

32 c. This section shall apply to all individual health insurance
33 policies in which the insurer has reserved the right to change the
34 premium.

35

36 5. a. Every group health insurance policy that provides benefits

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1 for maternity services, and that is delivered, issued, executed or
2 renewed in this State, or approved for issuance or renewal in this
3 State by the Commissioner of Banking and Insurance on or after the
4 effective date of this act, shall provide for reimbursement in
5 installments to an obstetrical provider licensed in New Jersey for
6 maternity services rendered during the term of a covered person's
7 pregnancy.

8 b. For the purposes of this section, "obstetrical provider licensed
9 in New Jersey" means:

10 (1) an obstetrician/gynecologist licensed by the State Board of
11 Medical Examiners; or

12 (2) a midwife licensed by the State Board of Medical Examiners
13 as a certified midwife or a certified nurse midwife.

14 c. This section shall apply to all group health insurance policies
15 in which the insurer has reserved the right to change the premium.

16

17 6. a. Every individual health benefits plan that provides benefits
18 for maternity services, and that is delivered, issued, executed or
19 renewed in this State, or approved for issuance or renewal in this
20 State by the Commissioner of Banking and Insurance on or after the
21 effective date of this act, shall provide for reimbursement in
22 installments to an obstetrical provider licensed in New Jersey for
23 maternity services rendered during the term of a covered person's
24 pregnancy.

25 b. For the purposes of this section, "obstetrical provider licensed
26 in New Jersey" means:

27 (1) an obstetrician/gynecologist licensed (1) by the State Board of
28 Medical Examiners; or

29 (2) a midwife licensed by the State Board of Medical Examiners
30 as a certified midwife or a certified nurse midwife.

31 c. This section shall apply to all individual health benefits plans
32 in which the carrier has reserved the right to change the premium.

33

34 7. a. Every small employer health benefits plan that provides
35 benefits for maternity services, and that is delivered, issued,
36 executed or renewed in this State, or approved for issuance or

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1 renewal in this State by the Commissioner of Banking and
2 Insurance on or after the effective date of this act, shall provide for
3 reimbursement in installments to an obstetrical provider licensed in
4 New Jersey for maternity services rendered during the term of a
5 covered person's pregnancy.

6 b. For the purposes of this section, "obstetrical provider licensed
7 in New Jersey" means:

8 (1) an obstetrician/gynecologist licensed by the State Board of
9 Medical Examiners; or

10 (2) a midwife licensed by the State Board of Medical Examiners
11 as a certified midwife or a certified nurse midwife.

12 c. This section shall apply to all small employer health benefits
13 plans in which the carrier has reserved the right to change the
14 premium.

15

16 8. a. Every certificate of authority to establish and operate a
17 health maintenance organization issued or continued in this State
18 pursuant to P.L.1973, c.337 (C.26:2J-1 et seq.), or approved for
19 issuance or renewal in this State, by the Commissioner of Banking
20 and Insurance, on or after the effective date of this act, for a health
21 maintenance organization which provides benefits for maternity
22 services, shall provide for reimbursement in installments to an
23 obstetrical provider licensed in New Jersey for maternity services
24 rendered during the term of a covered person's pregnancy.

25 b. For the purposes of this section, "obstetrical provider licensed
26 in New Jersey" means:

27 (1) an obstetrician/gynecologist licensed (1) by the State Board of
28 Medical Examiners; or

29 (2) a midwife licensed by the State Board of Medical Examiners
30 as a certified midwife or a certified nurse midwife.

31 c. This section shall apply to all enrollee agreements in which
32 the health maintenance organization has reserved the right to
33 change the schedule of charges.

34

35 9. a. Within 30 days of the effective date of this act, the State
36 Health Benefits Commission shall provide, in every health benefits

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8

1 plan that provides for maternity services, for reimbursement in
2 installments to an obstetrical provider licensed in New Jersey for
3 maternity services rendered during the term of a covered person's
4 pregnancy.

5 b. For the purposes of this section, "obstetrical provider licensed
6 in New Jersey" means:

7 (1) an obstetrician/gynecologist licensed by the State Board of
8 Medical Examiners; or

9 (2) a midwife licensed by the State Board of Medical Examiners
10 as a certified midwife or a certified nurse midwife.

11

12 '10. Within 30 days of the effective date of this act, the School
13 Employees' Health Benefits Commission shall provide, in every
14 health benefits plan that provides for maternity services, for
15 reimbursement in installments to an obstetrical provider licensed in
16 New Jersey for maternity services rendered during the term of a
17 covered person's pregnancy.

18 b. For the purposes of this section, "obstetrical provider licensed
19 in New Jersey" means:

20 (1) an obstetrician/gynecologist licensed by the State Board of
21 Medical Examiners; or

22 (2) a midwife licensed by the State Board of Medical Examiners
23 as a certified midwife or a certified nurse midwife.¹

24

25 '[10.] 11.¹ The Commissioner of Banking and Insurance shall
26 adopt rules and regulations, pursuant to the "Administrative
27 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to effectuate
28 the provisions of sections 1 through 8 of this act.

29

30 '[11.] 12.¹ This act shall take effect '[immediately] on the first
31 day of the thirteenth month next following enactment¹.