

# A STUDY OF NEW JERSEY SENATE BILL 4495

REQUIRES HEALTH BENEFITS COVERAGE FOR  
TREATMENT OF LIPEDEMA

Report to the New Jersey Senate

November 7, 2025

Mandated Health Benefits Advisory Commission



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Appendix I    Senate Bill No. 4495

Appendix II   Review Request for Senate Bill No. 4495

## INTRODUCTION

The Mandated Health Benefits Advisory Commission (MHBAC) has been asked to review S4495 (see Appendix I for a copy of the legislation), a bill that requires health benefits coverage for expenses incurred for the treatment of lipedema. Specifically, the bill states covered expenses “shall include compression garments for all...affected extremities, manual lymphatic drainage, medical nutrition therapy, mental health care, [medically necessary] lipectomy, and pre- and post-lipectomy appointments with the subscriber’s physician and surgeon.” The bill would apply to health insurers, including health service corporations, hospital service corporations, 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, and the State Health Benefits Program (SHBP) and School Employees' Health Benefits Program (SEHBP).

S4495 would establish a new coverage mandate for treatment of lipedema, including the requirements for establishing the subscriber’s medical condition and need for surgical care, as well as the terms of prior authorization and coverage benefit details. Specifically, S4495 states that a carrier “shall only require...documentation from the subscriber’s physician diagnosing...lipedema, and, if applicable, documentation from the subscriber’s surgeon that includes photographs...that support the diagnosis and information on the number of lipectomies the subscriber’s surgeon deems medically necessary.” The bill further specifies that the carrier “shall provide coverage for the total number of lipectomies deemed medically necessary...and shall not require a subscriber’s surgeon to remove less fat than the surgeon deems medically necessary...during a lipectomy....”

S4495 also specifies the terms of prior authorization, stating that “prior authorization for a lipectomy shall be valid for a period of one year from the date the subscriber’s surgeon receives prior authorization....” The carrier is prohibited from changing the prior authorization in any way if the subscriber maintains insurance coverage, if the clinical information upon which the prior authorization was based was not misrepresented by the surgeon or subscriber, and if there is no “material change” in the clinical condition of the subscriber. Furthermore, “A carrier is required to honor a prior authorization granted to a covered person for a lipectomy by the covered person’s previous carrier for the remainder of the duration of the prior authorization.” Finally, S4495 specifies that “benefits...shall be provided to the same extent and with the same deductibles, coinsurance, and other cost sharing as apply to similar services under the contract and shall be consistent with the current standard of care for lipedema.”

The Mandated Health Benefits Advisory Commission Act (N.J.S.A. 17B:27D-1 *et seq.*) tasks the Commission with providing an independent analysis of the social, medical, and financial impact of proposed legislation referred to it for review. The Act does not ask the Commission to recommend whether to enact the legislation, and the Commission does not do so here. The MHBAC prepared this report using its own resources, including staff from the New Jersey

Department of Banking and Insurance. Commission members contributed their professional expertise, on a voluntary basis, in helping to shape the presentation of this report, analyzing published research, and drafting and editing its various sections. The MHBAC has sought to include information from a number of reputable sources that it found credible but recognizes that opinions and analyses may differ.

## **MEDICAL EVIDENCE**

Lipedema is a loose connective tissue disease that causes abnormal fat build up primarily in the lower part of the body such as the hips, legs, and buttocks, but which can also be found in the upper arms.<sup>i,ii</sup> Although lipedema is often confused with obesity, the conditions are distinct, with lipedema fat deemed as “exercise-resistant.”<sup>iii</sup> Lipedema predominately affects women, with an estimated 10% of the female population affected.<sup>iv</sup> Lipedema is characterized by “unusual nodular and/or fibrotic texture within the excess fat that can feel like rice, peas, or walnuts beneath the surface of the skin.”<sup>v</sup> Other symptoms of lipedema include pain (ranging from mild to severe, and ranging from constant pain to discomfort that only occurs when the affected areas are manipulated), swelling of affected tissue, fatigue, skin that bruises easily, limited mobility, bilateral and symmetrical fat buildup in the lower extremities, and heaviness in the fatty areas.<sup>vi,vii</sup>

Lipedema can be classified into different stages and types:<sup>viii</sup>

### **Stages:**

- Stage 1: Smooth skin, increase of enlarged subcutaneous fat tissue
- Stage 2: Uneven skin with indentations in the fat tissue and larger mounds of fat tissue (lipomas) able to be seen and felt
- Stage 3: Protrusion of fatty tissue, especially on the thighs and around the knees
- Stage 4: Development of lipolymphedema – a condition where both lipedema and lymphedema (swelling that mainly affects the legs and arms due to a buildup of lymph fluid, which can be present at any stage) are present in the body— with large overhangs of tissue on legs and/or arms<sup>ix,x</sup>

### **Types:**

- Type I: Fat between navel and hips
- Type II: Fat between pelvis and knees
- Type III: Fat between pelvis and ankles

- Type IV: Fat between shoulders and wrists
- Type V: Fat between knees and ankles<sup>xi</sup>

The cause of lipedema is not completely understood, however research has found that lipedema usually occurs during times of hormonal changes such as pregnancy, puberty, or menopause.<sup>xii</sup> Additionally, lipedema runs in families in 20% to 60% of cases, which has led some researchers to conclude that lipedema may be inherited.<sup>xiii</sup> In addition to having a family history and being female, another risk factors for lipedema is having a Body Mass Index (BMI) higher than 35.<sup>xiv</sup>

Lipedema is often under- and misdiagnosed, primarily because there are no standardized exams or screenings for the condition. Trained healthcare providers must perform a physical exam and review medical history to determine a lipedema diagnosis.<sup>xv</sup>

Treatment for lipedema consists of conservative (non-surgical, sometimes referred to as Comprehensive Decongestive Therapy (CDT)) and surgical treatments.<sup>xvi</sup> Conservative treatments include manual lymphatic drainage massage (MLD) of affected areas, massage therapy, wearing compression garments, the use of a pneumatic compression device, dieting, and nutritional supplements.<sup>xvii</sup> Compression garments should be replaced every 6 months costing \$200 per year. MLD sessions, on average, occur 1 time per month and are approximately \$155 per session, however frequency of the sessions can vary before or after surgery.<sup>xviii</sup> CDT is most effective in stage 4 of lipedema and aims to reduce swelling and pain.<sup>xix</sup> As lipedema progresses, surgical intervention may be necessary, utilizing lymph-sparing liposuction.<sup>xx</sup>

Recommendations for lipedema surgery differ among national guidelines. The UK guidelines suggest that surgery should only be performed within a research context due to “inadequate efficacy and safety data.”<sup>xxi</sup> In contrast, the U.S. guidelines identify surgery as the only available method for removing lipedema tissue. A total of 85 consensus statements consisting of lipedema overview, medical treatment, conservative and other therapies, surgical treatment, and arterial and venous disorders, were issued by 21 lipedema expert panelists and a parliamentarian regarding standards of care for lipedema, with 23 of them specifically addressing liposuction.<sup>xxii</sup> These recommendations were classified as strong or weak depending on the balance of benefits, risks, burden, and cost, as well as the level of confidence in the estimates of these factors. Also rated was the quality of evidence obtained for these consensus statements.<sup>xxiii</sup>

Some statements about liposuction included patients considering liposuction should generally be in good overall health.<sup>xxiv</sup> When treating lipedema, liposuction may involve higher-than-usual volumes of fat removal and can require multiple surgical sessions.<sup>xxv</sup> Prior to undergoing surgery, conservative treatment approaches should be attempted.<sup>xxvi</sup> Women with lipedema—particularly in the more advanced stages—are at an increased risk for venous thromboembolism (VTE) and pulmonary embolism (PE) following surgery.<sup>xxvii</sup> Therefore, appropriate screening for VTE risk should be conducted before the procedure.

Effective surgical treatment may require multiple sessions. Some other surgical techniques that can be utilized are Water-Jet Assisted Liposuction (WAL) and Tumescent Local Anesthesia (TLA).<sup>xxviii</sup> There are circumstances where certain procedures need to be done before a person's lipedema advances to the point where liposuction is indicated, such as when sclerotherapy is required.<sup>xxix</sup> Sclerotherapy is a procedure that redirects blood flow through healthier veins by closing off damaged ones.<sup>xxx</sup>

Liposuction for lipedema sometimes requires multiple sessions in order to preserve intricate lymphatic structures.<sup>xxxi</sup> Following the last liposuction procedure, reduction in symptoms can last up to 12 years.<sup>xxxii</sup> Furthermore, aftercare for some patients requires combinations of conservative treatments, such as manual lymphatic drainage massage and compression garments.<sup>xxxiii</sup> This is because swelling, bruising, and tenderness are expected after surgery.

## **SOCIAL IMPACT**

Women with lipedema often face challenges that extend beyond the physical symptoms of the condition. Research has highlighted the additional mental and emotional toll lipedema can take. In one study, twelve women with lipedema were interviewed, and the overarching theme identified by the authors was that these women were experiencing “an uncertain uphill battle against a divergent body and societal ignorance.”<sup>xxxiv</sup> Many of the participants described perceiving themselves as “fat”, which negatively impacted their self-image. They feared receiving unwanted comments and silent judgment about their body shape, which, for some, became a constant worry.<sup>xxxv</sup>

The study also found that for some people with lipedema, the daily pain and heaviness associated with the condition could limit their ability to engage in routine activities, such as walking.<sup>xxxvi</sup> Other activities—like exercising, driving, and air travel — can be restricted due to body shape and size.<sup>xxxvii</sup> Some women report that physical symptoms leave them unable to work, which can lead to financial difficulties.<sup>xxxviii</sup>

Participants also discussed the challenge of being misdiagnosed early in their condition.<sup>xxxix</sup> This often led them to turn to social media as a resource, due to the lack of accessible information about lipedema. Some study participants reported that as their condition progressed, so did the psychological burden. The authors of the study emphasized that, in treating lipedema, preventive interventions aimed at slowing health deterioration should be prioritized.<sup>xl</sup>

Another study documented the testimonies of 148 women in the U.S. with lipedema stages 1-4 who underwent lipedema reduction surgery (liposuction) from 2013-2018.<sup>xli</sup> After surgery, participants reported the areas with the greatest reduction in excess adipose tissue. The most significant reductions were observed as follows: 44% under the knees, 38% in the ankle cuff area, 37% in the inner knee fit, and 23% in lower arm fat.<sup>xlii</sup> All participants had more than one lipedema-

related surgery, with one individual reporting six procedures. Nearly all women used compression garments post-surgery.<sup>xlili</sup>

Following surgery, 84% of participants reported improved quality of life, relief from physical symptoms, a reduction in disease stage, and better mobility—the results were constant regardless of the participant’s initial stage of lipedema.<sup>xliv</sup> Some participants reported post-surgical complications. These included lymphedema, anemia, loose skin, tissue regrowth in treated and untreated areas, deep vein thrombosis, blood clots, tissue fibrosis, and cellulitis. Still, most women reported no complications after surgery.<sup>xliv</sup>

A review of the literature involving a total of 1,785 patients who underwent liposuction to treat lipedema showed similar results.<sup>xlvi</sup> Analysis of these studies demonstrated significant improvements following the procedure, including reductions in pain, pressure sensitivity, bruising, heaviness, and difficulties with mobility.<sup>xlvi</sup> Some post-surgical complications were noted, such as inflammation, thrombosis, seroma, hematoma, and skin changes related to lymphedema. However, no severe complications or fatalities were reported.<sup>xlvi</sup> Moreover, the authors of this meta-analysis concluded that further high-quality, large-scale clinical trials are needed to thoroughly evaluate the safety and efficacy of different liposuction methods.<sup>xlvi</sup>

It should be kept in mind that many studies consisted mostly of self-reported data which could skew results. Although liposuction can offer symptomatic relief, “it should be considered an adjunct, experimental therapy rather than a definitive cure, emphasizing the need for a comprehensive approach to care.”<sup>l</sup>

## **OTHER STATES**

The Commission has been unable to identify any legislation introduced or adopted in any other state mandating coverage for lipedema treatment; accordingly, there is no relevant legislation from other states to discuss in this report. S4495’s companion bill, A5790, was introduced in the New Jersey Assembly on June 12, 2025. An amended version of the bill was reported out of the Assembly Financial Institutions and Insurance Committee and the Assembly Appropriations Committee on June 19, 2025. The Assembly Financial Institutions and Insurance Committee amended the bill to replace the provisions outlining prior authorization requirements for a lipectomy with language stating that prior authorization for a lipectomy is to be in accordance with the requirements of the “Ensuring Transparency in Prior Authorization Act,” P.L.2023, c.296 (C.17B:30-55.1 et al.). The Assembly passed the amended version of A5790 on June 30, 2025, by a vote of 68 to 2, with 1 member not voting and 9 members abstaining.

## DISCUSSION

A review of insurance carriers' coverage guidelines for liposuction to treat lipedema suggests that, in current practice, patient and provider documentation requirements are generally extensive. In order to establish medical necessity, and therefore insurance coverage, for liposuction, carrier policies frequently require the patient and provider to document a number of different skin and fat deposit characteristics, indicate that the patient has hypersensitivity to touch in the affected areas, provide documentation of medical complications or significant physical functional limitations, and show that the lipedema symptoms have not responded to "standard conservative treatments...for at least 3-6 months."<sup>li</sup> All major carriers have similar commercial insurance coverage guidelines, requiring that all conditions be present and documented in order for treatment of lipedema to be considered medically necessary and therefore covered under commercial insurance policies; other liposuction treatment options in the absence of all of these conditions being satisfied are considered investigational.<sup>lii,liiii,liv,lvi</sup>

As seen in the guidelines above, to determine a subscriber's coverage status for the surgical treatment of lipedema, insurance carriers may require "documentation of failed non-surgical treatments, clinical evaluations, and medical records demonstrating lipedema's limitations on the patient's physical and mental well-being."<sup>lvii</sup> Insurers "usually only cover the surgical treatment of lipedema when the disease significantly impacts instrumental functions in the patient's daily life."<sup>lviii</sup> The process of receiving approval for surgical treatment of lipedema may also require a subscriber to appeal a coverage determination, perhaps through more than one round of appeals.<sup>lix</sup>

S4495 also includes specific requirements related to prior authorization, including requiring that a prior authorization remain valid for one year and prohibiting carriers from revoking, limiting, conditioning, or restricting a prior authorization within that one-year period if the patient remains eligible for coverage, there were no misrepresentations of information at the time the prior authorization was granted, and there have been no material changes in the patient's clinical circumstances or condition. Carriers are also required to honor a prior authorization granted by the patient's previous carrier.

In 2023, New Jersey adopted the "Ensuring Transparency in Prior Authorization Act," (ETPAA) P.L.2023, c.296 (C.17B:30-55.1 et al.), which established certain standard requirements for prior authorization. The prior authorization requirements that would be established under S4495 would differ from the requirements established under ETPAA in a number of ways, including expanding the length of the period during which a lipedema treatment prior authorization remains valid from 180 days to one year and providing requirements for carriers to honor a prior authorization approved by a prior carrier. To the extent S4495 would create different prior authorization standards than apply under ETPAA, it could create additional administrative requirements for carriers in setting up different processes for different conditions and for the state to ensure carriers are in compliance with both laws.



In practical effect, S4495 would limit the ability of carriers to establish or maintain preconditions for the treatment of lipedema, and would require coverage for most lipedema treatments, including surgery, based on a determination of medical necessity by the patient's treating physician that meet certain requirements in the bill. This is consistent with the positions of some lipedema patient advocates and lipedema treatment providers.<sup>lx</sup>

## FINANCIAL IMPACT

There are several factors that determine the cost of surgical treatment for a lipedema patient. Among these are the patient's insurance coverage status, whether a surgeon is in-network or out-of-network, the location (*i.e.*, region, state, or town/city) where the surgery is performed, the severity of the patient's lipedema condition, the number of areas being treated surgically, and the total number of surgeries required.<sup>lxi,lxii</sup> There do not appear to be any objective studies or sources analyzing the typical cost of lipedema treatment, which, in combination with the factors listed above, make it difficult to produce a reliable estimate of the costs of lipedema treatment in New Jersey. Some anecdotal sources suggest the costs of lipedema treatment can range from \$10,000 to \$20,000 per course of treatment, while other anecdotal sources suggest the cost can be as much as \$65,200.<sup>lxiii,lxiv</sup> For reference, as reported in 2022, when they cover lipedema surgery, Medicaid programs reimbursed about \$2,000 per surgical treatment.<sup>lxv</sup> The authors of that report contend, "As a result, it is almost impossible to find a board-certified plastic surgeon in private practice willing to accept...Medicaid patients."<sup>lxvi</sup> The inability to independently verify the estimated costs of lipedema treatment available from anecdotal sources, or to control for the factors that can influence cost, suggests the costs of treatment will likely vary from patient to patient, which means it may not be possible to reliably estimate the potential cost changes that could result from the coverage mandate that would be established under S4495.

The text of S4495 states, "The benefits...shall be provided to the same extent and with the same deductibles, coinsurance, and other cost sharing as apply to similar services under contract and shall be consistent with the current standard of care for lipedema." New Jersey insurers will be required to cover the costs of lipedema treatment, subject to cost-sharing requirements similar to other types of treatment, when healthcare providers demonstrate the medical necessity for lipedema treatment. Some patient advocates argue that if the determination of medical necessity is shifted more in the direction of physicians and surgeons, with insurers covering lipedema surgical costs more frequently, this will lead to lipedema treatment being more available and more equitably accessible.<sup>lxvii</sup>

It may be expected that mandating coverage for the treatment of lipedema while limiting the ability of carriers to control when and how coverage applies would increase costs for carriers. The increase in costs would likely result from both the need to cover additional surgical interventions and from a potential uptick in patients seeking treatment for lipedema, particularly if they are no longer required to navigate the various preconditions that, under current practices, frequently apply

to lipedema treatment coverage. One consideration is that lipedema is relatively common, which could result in a significant number of claims falling under the mandate; however, not all lipedema cases result in recommendations for surgical treatment. Additionally, the cost of the mandate would be offset to the extent that some treatments that would fall within the mandate are already covered by insurance, meaning the cost increase would generally be limited to treatments that would not otherwise currently be covered and treatments that are broader in scope than those that are currently covered. Some of the increased cost may be offset by reductions in reimbursements for non-surgical lipedema treatments that may not be effective; however, the comparative costs of surgical and non-surgical treatments suggest the offset would likely be limited. Overall, increased costs to carriers for lipedema treatment are likely to result in increased premiums.

A fiscal estimate of New Jersey's A5790, the companion bill to S4495, produced by the Office of Legislative Services (OLS), confirms the assumptions laid out above. The OLS analysis reported that the SHBP and SEHBP "currently provide coverage for lipectomies and associated appointments, medical nutrition therapy, and mental health care, as long as the service receives precertification."<sup>lxviii</sup> The estimated increased costs provided by the OLS analysis were subject to several caveats, including that costs could be lower if covered members utilized lipedema treatments less frequently than predicted or if the commissions that determine the SHBP and SEHBP benefits limit coverage for lipedema treatment to some degree.<sup>lxix</sup>

Broadly, under A5790, the OLS fiscal analysis estimated that expanded coverage for lipedema treatment would increase State spending for the SHBP by \$13.7 million per year and local government spending for the SEHBP and SHBP by \$22.8 million per year, for a combined total increase in government expenditure for the SHBP and SEHBP of \$36.5 million. The OLS also found that, "Local government employers, including school districts, which provide employee health insurance through the private market, could...experience an indeterminate increase in annual costs."<sup>lxx</sup> It may be noted that OLS's fiscal analyses are limited to the cost impact of legislation to state and local governments; they do not measure the impact to the commercial markets, although they may be reflective of cost trends that would affect commercial markets.

An additional consideration is that the federal Patient Protection and Affordable Care Act requires states to defray the cost of any health insurance benefit mandate enacted after December 31, 2011, that is part of an insurance plan sold on a state exchange that is in addition to the state's essential health benefits (EHBs) and related to specific care, treatment, or services (P.L. 111-148 § 1311(d)(3) & 45 CFR 155.170). The State must then defray the cost of the additional mandates by making the appropriate payment directly to an enrollee or to the insurer on the enrollee's behalf (45 CFR 155.170). A 2017 federal final rule (§ 19) changed the entity responsible for identifying mandates and receiving excess cost reports from the state's exchange to the state. Defrayment does not apply to the large group market. For more information on State-required benefits, please refer to this CMS FAQ on Defrayal of State Additional Required Benefits.<sup>lxxi</sup> As part of the HHS Notice of Benefit and Payment Parameters for 2025, for plan years beginning on or after January 1, 2027, CMS revised the standards for state selection of EHB-benchmark plans to address long-standing

requests from states to improve, and reduce the burden of, the EHB-benchmark plan update process.<sup>lxxii</sup> The process of updating the state's EHB-benchmark plan could create a pathway to adding benefits to the benchmark plan that may not trigger defrayal, provided certain parameters are met. Thus, although this is a state-by-state analysis and no such analysis has been performed for New Jersey, a coverage mandate for the treatment of lipedema may trigger the federal defrayment requirements.

## CONCLUSION

S4495 proposes to establish coverage requirements for the treatment of lipedema that would restrict the ability of insurers to establish and maintain procedural requirements or preconditions for coverage, revising the applicable prior authorization requirements, restricting the ability of carriers to limit the scope of covered treatment (such as limiting the amount of fat to be removed during a procedure), and restricting how and when carriers can deny coverage. Under the bill, coverage will generally be required based on a determination of medical necessity made by the patient's physician that is supported by certain materials as outlined in the bill. A survey of the coverage requirements for lipedema currently in place under many carriers' policies suggests the current requirements are frequently complex, and in the case of surgical treatment, frequently require the patient to have first tried a number of non-surgical interventions.

The medical literature and insurance coverage guidelines stress the need for better empirical evidence and higher quality and larger clinical trials to assess the effectiveness of liposuction surgical treatments for lipedema. In some cases, specific surgical procedures for lipedema performed on certain parts of the body are still considered investigational. There are some qualitative studies that indicate that surgical treatments resulted in improved quality of life, reduced pain and feeling of heaviness, greater mobility, and generally improved physical symptoms for lipedema patients. These positive outcomes were achieved with minimal negative side effects. Because an estimated 10% of the population have lipedema, the effects of increased access to treatment can be expected to reach a significant portion of the population.

As noted above, a variety of factors can affect the cost of lipedema treatment, including whether the patient has insurance coverage, the surgeon's network status, geographic location, the severity of the patient's condition, and the number of surgeries required. Lipedema is relatively common, and many patients will require more than one surgical procedure. On the other hand, not all lipedema patients are recommended for surgery, and many cases are responsive to non-surgical interventions.

The fiscal analysis by OLS estimates that the expanded insurance coverage for the treatment of lipedema could cost State and local government employers \$36.5 million per year. It is probable that mandating coverage for lipedema treatment while limiting various practices currently in place

to restrict how and when coverage applies will result in increased costs to carriers in the private market, which in turn may result in higher health premiums.

## ENDNOTES

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<sup>ii</sup> Cleveland Clinic, “Lipedema,” June 6, 2023. Accessed 6/13/25. [Lipedema: Causes, Symptoms & Treatment](#)

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<sup>v</sup> Lipedema Foundation, “What is Lipedema?,” 2016-2025. Accessed 6/13/25. [Lipedema Foundation](#)

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<sup>ix</sup> Lipedema Foundation, “Staging of Lipedema,” July 2025. Accessed 6/19/25. [Staging of Lipedema — Lipedema Foundation](#)

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<sup>xvi</sup> The Lipedema Project, Inc., “Ultimate Guide for Treating Lipedema,” 2015-2025. Accessed 6/24/25. [Lipedema Treatment & Causes // The Lipedema Project](#)

<sup>xvii</sup> *Ibid.*

<sup>xviii</sup> Office of Legislative Services (New Jersey), Legislative Budget and Finance Office, “Legislative Fiscal Estimate [First Reprint], Assembly, No. 5790,” June 26, 2025. Accessed 7/30/25. [5790 E2.PDF](#)

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<sup>xx</sup> *Ibid.*

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<sup>xxi</sup> Tran, *op cit.*

<sup>xxii</sup> Herbst, Kahn, *et al.*, *op cit.*

<sup>xxiii</sup> *Ibid.*

<sup>xxiv</sup> *Ibid.*

<sup>xxv</sup> *Ibid.*

<sup>xxvi</sup> *Ibid.*

<sup>xxvii</sup> *Ibid.*

<sup>xxviii</sup> *Ibid.*

<sup>xxix</sup> *Ibid.*

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<sup>xxxi</sup> Alexey Markelov Plastic Surgery, “Why Lipedema Treatment Requires Multiple Stages: Breaking Down The Surgical Process,” 2025. Accessed 7/22/25. [Why Lipedema Treatment Requires Multiple Stages: Breaking Down the Surgical Process. | Blog | Markelov MD](#)

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lviii *Ibid.*

lix *Ibid.*

lx New York Liposuction Center, "Does Blue Cross Insurance Cover Liposuction? Find Out Now!," May 20, 2024. Accessed 6/16/25. [Does Blue Cross Insurance Cover Liposuction? Find Out Now!](#)

lxi Lipedema Surgical Solutions, "Lipedema Surgery Costs," 2025. Accessed 6/16/25. [» Lipedema Surgery Costs - Lipedema](#)

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<sup>lxii</sup> The Elston Clinic, “What is Lipedema?” 2025. Accessed 6/19/25.

[Liposuction for Lipedema \(Dercum’s disease\) | Elston Clinic \(Gig Harbor\)](#)

<sup>lxiii</sup> *Ibid.*

<sup>lxiv</sup> Lipedema Surgical Solutions, , “Lipedema Surgery Costs,” *op cit.*

<sup>lxv</sup> Lipedema Coverage Connection, “Medicare and Medicaid for Lipedema Surgery Coverage Update,” July 6, 2022. Accessed 6/16/25. [Medicare and Medicaid for Lipedema Surgery Coverage Update –](#)

<sup>lxvi</sup> *Ibid.*

<sup>lxvii</sup> New York Liposuction Center, *op cit.*

<sup>lxviii</sup> Office of Legislative Services (New Jersey), *op cit.*

<sup>lxix</sup> *Ibid.*

<sup>lxx</sup> *Ibid.*

<sup>lxxi</sup> Federal Register, “Patient Protection and Affordable Care Act, HHS Notice of Benefit and Payment Parameters for 2025; Updating Section 1332 Waiver Public Notice Procedures; Medicaid; Consumer Operated and Oriented Plan (CO-OP) Program; and Basic Health Program,” April 15, 2024. Accessed 2/7/25.

<https://www.federalregister.gov/documents/2024/04/15/2024-07274/patient-protection-and-affordable-care-act-hhs-notice-of-benefit-and-payment-parameters-for-2025>.

<sup>lxxii</sup> *Ibid.*



SENATE, No. 4495

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED MAY 22, 2025

Sponsored by:  
Senator DOUGLAS J. STEINHARDT  
District 23 (Hunterdon, Somerset and Warren)  
Senator M. TERESA RUIZ  
District 29 (Essex and Hudson)

SYNOPSIS  
Requires health benefits coverage for treatment of lipedema.

CURRENT VERSION OF TEXT  
As introduced.



(Sponsorship Updated As Of: 6/2/2025)

1 AN ACT concerning health insurance coverage for the treatment of  
2 lipedema 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 pursuant to P.L.1938, c.366  
10 (C.17:48-1 et seq.), or approved for issuance or renewal in this State  
11 by the Commissioner of Banking and Insurance on or after the  
12 effective date of this act, shall provide coverage for expenses  
13 incurred for the treatment of lipedema. The expenses for which  
14 coverage shall be provided shall include compression garments for  
15 all of the subscriber's affected extremities, manual lymphatic  
16 drainage, medical nutrition therapy, mental health care, lipectomy  
17 that is determined to be medically necessary by the subscriber's  
18 surgeon, and pre-and post-lipectomy appointments with the  
19 subscriber's physician and surgeon.

20 b. To receive coverage for expenses incurred for the treatment  
21 of lipedema, a hospital service corporation shall only require a  
22 subscriber to provide documentation from the subscriber's physician  
23 diagnosing the subscriber with lipedema and, if applicable,  
24 documentation from the subscriber's surgeon that includes  
25 photographs of the subscriber that support the diagnosis and  
26 information on the number of lipectomies the subscriber's surgeon  
27 deems medically necessary. If a hospital service corporation denies  
28 coverage for expenses incurred for the treatment of lipedema, the  
29 hospital service corporation shall provide the subscriber with a  
30 detailed explanation of the reason for the denial. A hospital service  
31 corporation shall not deny coverage for expenses incurred for the  
32 treatment of lipedema solely based on photographs of the subscriber  
33 submitted pursuant to this subsection.

34 c. A hospital service corporation shall provide coverage for the  
35 total number of lipectomies deemed medically necessary by the  
36 subscriber's surgeon and shall not require a subscriber's surgeon to  
37 remove less fat than the surgeon deems medically necessary to be  
38 removed from the subscriber during a lipectomy in order to receive  
39 coverage.

40 d. Notwithstanding the provisions of any law, rule, or regulation  
41 to the contrary, prior authorization for a lipectomy shall be valid for  
42 a period of one year from the date the subscriber's surgeon receives  
43 the prior authorization and a hospital service corporation shall not  
44 revoke, limit, condition, or restrict a prior authorization within that  
45 period if (1) the subscriber continues to be eligible for coverage; (2)  
46 the clinical information provided at the time the prior authorization  
47 request was made has not been misrepresented by the surgeon or  
48 subscriber; and (3) there has not been a material change in the clinical

1 circumstances or condition of the subscriber. On receipt of  
2 information documenting a prior authorization from the subscriber or  
3 the subscriber's surgeon, a hospital service corporation shall honor a  
4 prior authorization granted to a subscriber for a lipectomy by the  
5 subscriber's previous carrier for the remainder of the duration of the  
6 prior authorization.

7 e. The benefits provided by this section shall be provided to the  
8 same extent and with the same deductibles, coinsurance, and other  
9 cost sharing as apply to similar services under the contract and shall  
10 be consistent with the current standard of care for lipedema.

11 f. This section shall apply to those hospital service corporation  
12 contracts in which the hospital service corporation has reserved the  
13 right to change the premium.

14

15 2. a. A medical service corporation contract that provides  
16 hospital and medical expense benefits and is delivered, issued,  
17 executed or renewed in this State pursuant to P.L.1940, c.74  
18 (C.17:48A-1 et seq.), or approved for issuance or renewal in this State  
19 by the Commissioner of Banking and Insurance on or after the  
20 effective date of this act, shall provide coverage for expenses  
21 incurred for the treatment of lipedema. The expenses for which  
22 coverage shall be provided shall include compression garments for  
23 all of the subscriber's affected extremities, manual lymphatic  
24 drainage, medical nutrition therapy, mental health care, lipectomy  
25 that is determined to be medically necessary by the subscriber's  
26 surgeon, and pre-and post-lipectomy appointments with the  
27 subscriber's physician and surgeon.

28 b. To receive coverage for expenses incurred for the treatment  
29 of lipedema, a medical service corporation shall only require a  
30 subscriber to provide documentation from the subscriber's physician  
31 diagnosing the subscriber with lipedema and, if applicable,  
32 documentation from the subscriber's surgeon that includes  
33 photographs of the subscriber that support the diagnosis and  
34 information on the number of lipectomies the subscriber's surgeon  
35 deems medically necessary. If a medical service corporation denies  
36 coverage for expenses incurred for the treatment of lipedema, the  
37 medical service corporation shall provide the subscriber with a  
38 detailed explanation of the reason for the denial. A medical service  
39 corporation shall not deny coverage for expenses incurred for the  
40 treatment of lipedema solely based on photographs of the subscriber  
41 submitted pursuant to this subsection.

42 c. A medical service corporation shall provide coverage for the  
43 total number of lipectomies deemed medically necessary by the  
44 subscriber's surgeon and shall not require a subscriber's surgeon to  
45 remove less fat than the surgeon deems medically necessary to be  
46 removed from the subscriber during a lipectomy in order to receive  
47 coverage.

1       d. Notwithstanding the provisions of any law, rule, or regulation  
2 to the contrary, prior authorization for a lipectomy shall be valid for  
3 a period of one year from the date the subscriber's surgeon receives  
4 the prior authorization and a medical service corporation shall not  
5 revoke, limit, condition, or restrict a prior authorization within that  
6 period if (1) the subscriber continues to be eligible for coverage; (2)  
7 the clinical information provided at the time the prior authorization  
8 request was made has not been misrepresented by the surgeon or  
9 subscriber; and (3) there has not been a material change in the clinical  
10 circumstances or condition of the subscriber. On receipt of  
11 information documenting a prior authorization from the subscriber or  
12 the subscriber's surgeon, a medical service corporation shall honor a  
13 prior authorization granted to a subscriber for a lipectomy by the  
14 subscriber's previous carrier for the remainder of the duration of the  
15 prior authorization.

16       e. The benefits provided by this section shall be provided to the  
17 same extent and with the same deductibles, coinsurance, and other  
18 cost sharing as apply to similar services under the contract and shall  
19 be consistent with the current standard of care for lipedema.

20       f. This section shall apply to those medical service corporation  
21 contracts in which the hospital service corporation has reserved the  
22 right to change the premium.

23

24       3. a. A health service corporation contract that provides  
25 hospital and medical expense benefits and is delivered, issued,  
26 executed or renewed in this State pursuant to P.L.1985, c.236  
27 (C.17:48E-1 et seq.), or approved for issuance or renewal in this State  
28 by the Commissioner of Banking and Insurance on or after the  
29 effective date of this act, shall provide coverage for expenses  
30 incurred for the treatment of lipedema. The expenses for which  
31 coverage shall be provided shall include compression garments for  
32 all of the subscriber's affected extremities, manual lymphatic  
33 drainage, medical nutrition therapy, mental health care, lipectomy  
34 that is determined to be medically necessary by the subscriber's  
35 surgeon, and pre-and post-lipectomy appointments with the  
36 subscriber's physician and surgeon.

37       b. To receive coverage for expenses incurred for the treatment  
38 of lipedema, a health service corporation shall only require a  
39 subscriber to provide documentation from the subscriber's physician  
40 diagnosing the subscriber with lipedema and, if applicable,  
41 documentation from the subscriber's surgeon that includes  
42 photographs of the subscriber that support the diagnosis and  
43 information on the number of lipectomies the subscriber's surgeon  
44 deems medically necessary. If a health service corporation denies  
45 coverage for expenses incurred for the treatment of lipedema, the  
46 health service corporation shall provide the subscriber with a detailed  
47 explanation of the reason for the denial. A health service corporation  
48 shall not deny coverage for expenses incurred for the treatment of

1 lipedema solely based on photographs of the subscriber submitted  
2 pursuant to this subsection.

3 c. A health service corporation shall provide coverage for the  
4 total number of lipectomies deemed medically necessary by the  
5 subscriber's surgeon and shall not require a subscriber's surgeon to  
6 remove less fat than the surgeon deems medically necessary to be  
7 removed from the subscriber during a lipectomy in order to receive  
8 coverage.

9 d. Notwithstanding the provisions of any law, rule, or regulation  
10 to the contrary, prior authorization for a lipectomy shall be valid for  
11 a period of one year from the date the subscriber's surgeon receives  
12 the prior authorization and a health service corporation shall not  
13 revoke, limit, condition, or restrict a prior authorization within that  
14 period if (1) the subscriber continues to be eligible for coverage; (2)  
15 the clinical information provided at the time the prior authorization  
16 request was made has not been misrepresented by the surgeon or  
17 subscriber; and (3) there has not been a material change in the clinical  
18 circumstances or condition of the subscriber. On receipt of  
19 information documenting a prior authorization from the subscriber or  
20 the subscriber's surgeon, a health service corporation shall honor a  
21 prior authorization granted to a subscriber for a lipectomy by the  
22 subscriber's previous carrier for the remainder of the duration of the  
23 prior authorization.

24 e. The benefits provided by this section shall be provided to the  
25 same extent and with the same deductibles, coinsurance, and other  
26 cost sharing as apply to similar services under the contract and shall  
27 be consistent with the current standard of care for lipedema.

28 f. This section shall apply to those health service corporation  
29 contracts in which the hospital service corporation has reserved the  
30 right to change the premium.

31

32 4. a. An individual health insurance policy that provides  
33 hospital and medical expense benefits and is delivered, issued,  
34 executed or renewed in this State pursuant to N.J.S.17B:26-1 et seq.,  
35 or approved for issuance or renewal in this State by the  
36 Commissioner of Banking and Insurance on or after the effective date  
37 of this act, shall provide coverage for expenses incurred for the  
38 treatment of lipedema. The expenses for which coverage shall be  
39 provided shall include compression garments for all of the insured's  
40 affected extremities, manual lymphatic drainage, medical nutrition  
41 therapy, mental health care, lipectomy that is determined to be  
42 medically necessary by the insured's surgeon, and pre-and post-  
43 lipectomy appointments with the insured's physician and surgeon.

44 b. To receive coverage for expenses incurred for the treatment  
45 of lipedema, an individual health insurance policy shall only require  
46 an insured to provide documentation from the insured's physician  
47 diagnosing the insured with lipedema and, if applicable,  
48 documentation from the insured's surgeon that includes photographs

1 of the insured that support the diagnosis and information on the  
2 number of lipectomies the insured's surgeon deems medically  
3 necessary. If an individual health insurance policy denies coverage  
4 for expenses incurred for the treatment of lipedema, the individual  
5 health insurance policy shall provide the insured with a detailed  
6 explanation of the reason for the denial. An individual health  
7 insurance policy shall not deny coverage for expenses incurred for  
8 the treatment of lipedema solely based on photographs of the insured  
9 submitted pursuant to this subsection.

10 c. An individual health insurance policy shall provide coverage  
11 for the total number of lipectomies deemed medically necessary by  
12 the insured's surgeon and shall not require an insured's surgeon to  
13 remove less fat than the surgeon deems medically necessary to be  
14 removed from the insured during a lipectomy in order to receive  
15 coverage.

16 d. Notwithstanding the provisions of any law, rule, or regulation  
17 to the contrary, prior authorization for a lipectomy shall be valid for  
18 a period of one year from the date the insured's surgeon receives the  
19 prior authorization and an individual health insurance policy shall not  
20 revoke, limit, condition, or restrict a prior authorization within that  
21 period if (1) the insured continues to be eligible for coverage; (2) the  
22 clinical information provided at the time the prior authorization  
23 request was made has not been misrepresented by the surgeon or  
24 insured; and (3) there has not been a material change in the clinical  
25 circumstances or condition of the insured. On receipt of information  
26 documenting a prior authorization from the insured or the insured's  
27 surgeon, an individual health insurance policy shall honor a prior  
28 authorization granted to an insured for a lipectomy by the insured's  
29 previous carrier for the remainder of the duration of the prior  
30 authorization.

31 e. The benefits provided by this section shall be provided to the  
32 same extent and with the same deductibles, coinsurance, and other  
33 cost sharing as apply to similar services under the policy and shall be  
34 consistent with the current standard of care for lipedema.

35 f. This section shall apply to those individual health insurance  
36 policies in which the individual health insurance policy has reserved  
37 the right to change the premium.

38

39 5. a. A group health insurance policy that provides hospital  
40 and medical expense benefits and is delivered, issued, executed or  
41 renewed in this State pursuant to N.J.S.17B:27-26 et seq., or  
42 approved for issuance or renewal in this State by the Commissioner  
43 of Banking and Insurance on or after the effective date of this act,  
44 shall provide coverage for expenses incurred for the treatment of  
45 lipedema. The expenses for which coverage shall be provided shall  
46 include compression garments for all of the insured's affected  
47 extremities, manual lymphatic drainage, medical nutrition therapy,  
48 mental health care, lipectomy that is determined to be medically

1 necessary by the insured's surgeon, and pre-and post-lipectomy  
2 appointments with the insured's physician and surgeon.

3 b. To receive coverage for expenses incurred for the treatment  
4 of lipedema, a group health insurance policy shall only require an  
5 insured to provide documentation from the insured's physician  
6 diagnosing the insured with lipedema and, if applicable,  
7 documentation from the insured's surgeon that includes photographs  
8 of the insured that support the diagnosis and information on the  
9 number of lipectomies the insured's surgeon deems medically  
10 necessary. If a group health insurance policy denies coverage for  
11 expenses incurred for the treatment of lipedema, the group health  
12 insurance policy shall provide the insured with a detailed explanation  
13 of the reason for the denial. A group health insurance policy shall  
14 not deny coverage for expenses incurred for the treatment of  
15 lipedema solely based on photographs of the insured submitted  
16 pursuant to this subsection.

17 c. A group health insurance policy shall provide coverage for the  
18 total number of lipectomies deemed medically necessary by the  
19 insured's surgeon and shall not require an insured's surgeon to  
20 remove less fat than the surgeon deems medically necessary to be  
21 removed from the insured during a lipectomy in order to receive  
22 coverage.

23 d. Notwithstanding the provisions of any law, rule, or regulation  
24 to the contrary, prior authorization for a lipectomy shall be valid for  
25 a period of one year from the date the insured's surgeon receives the  
26 prior authorization and a group health insurance policy shall not  
27 revoke, limit, condition, or restrict a prior authorization within that  
28 period if (1) the insured continues to be eligible for coverage; (2) the  
29 clinical information provided at the time the prior authorization  
30 request was made has not been misrepresented by the surgeon or  
31 insured; and (3) there has not been a material change in the clinical  
32 circumstances or condition of the insured. On receipt of information  
33 documenting a prior authorization from the insured or the insured's  
34 surgeon, a group health insurance policy shall honor a prior  
35 authorization granted to an insured for a lipectomy by the insured's  
36 previous carrier for the remainder of the duration of the prior  
37 authorization.

38 e. The benefits provided by this section shall be provided to the  
39 same extent and with the same deductibles, coinsurance, and other  
40 cost sharing as apply to similar services under the policy and shall be  
41 consistent with the current standard of care for lipedema.

42 f. This section shall apply to those group health insurance  
43 policies in which the group health insurance policy has reserved the  
44 right to change the premium.

45

46 6. a. An individual health benefits plan that provides  
47 hospital and medical expense benefits and is delivered, issued,  
48 executed or renewed in this State pursuant to P.L.1992, c.161

1 (C.17B:27A-2 et seq.), or approved for issuance or renewal in this  
2 State by the Commissioner of Banking and Insurance on or after the  
3 effective date of this act, shall provide coverage for expenses  
4 incurred for the treatment of lipedema. The expenses for which  
5 coverage shall be provided shall include compression garments for  
6 all of the covered person's affected extremities, manual lymphatic  
7 drainage, medical nutrition therapy, mental health care, lipectomy  
8 that is determined to be medically necessary by the covered person's  
9 surgeon, and pre-and post-lipectomy appointments with the covered  
10 person's physician and surgeon.

11 b. To receive coverage for expenses incurred for the treatment  
12 of lipedema, an individual health benefits plan shall only require an  
13 insured to provide documentation from the covered person's  
14 physician diagnosing the covered person with lipedema and, if  
15 applicable, documentation from the covered person's surgeon that  
16 includes photographs of the covered person that support the diagnosis  
17 and information on the number of lipectomies the covered person's  
18 surgeon deems medically necessary. If an individual health benefits  
19 plan denies coverage for expenses incurred for the treatment of  
20 lipedema, the individual health benefits plan shall provide the  
21 covered person with a detailed explanation of the reason for the  
22 denial. An individual health benefits plan shall not deny coverage  
23 for expenses incurred for the treatment of lipedema solely based on  
24 photographs of the covered person submitted pursuant to this  
25 subsection.

26 c. An individual health benefits plan shall provide coverage for  
27 the total number of lipectomies deemed medically necessary by the  
28 covered person's surgeon and shall not require a covered person's  
29 surgeon to remove less fat than the surgeon deems medically  
30 necessary to be removed from the covered person during a lipectomy  
31 in order to receive coverage.

32 d. Notwithstanding the provisions of any law, rule, or regulation  
33 to the contrary, prior authorization for a lipectomy shall be valid for  
34 a period of one year from the date the covered person's surgeon  
35 receives the prior authorization and an individual health benefits plan  
36 shall not revoke, limit, condition, or restrict a prior authorization  
37 within that period if (1) the covered person continues to be eligible  
38 for coverage; (2) the clinical information provided at the time the  
39 prior authorization request was made has not been misrepresented by  
40 the surgeon or covered person; and (3) there has not been a material  
41 change in the clinical circumstances or condition of the covered  
42 person. On receipt of information documenting a prior authorization  
43 from the covered person or the covered person's surgeon, an  
44 individual health benefits plan shall honor a prior authorization  
45 granted to a covered person for a lipectomy by the covered person's  
46 previous carrier for the remainder of the duration of the prior  
47 authorization.



1 e. The benefits provided by this section shall be provided to the  
2 same extent and with the same deductibles, coinsurance, and other  
3 cost sharing as apply to similar services under the health benefits plan  
4 and shall be consistent with the current standard of care for lipedema.

5 f. This section shall apply to those health benefits plans in which  
6 the carrier has reserved the right to change the premium.  
7

8 7. a. A small employer health benefits plan that provides  
9 hospital and medical expense benefits and is delivered, issued,  
10 executed or renewed in this State pursuant to P.L.1992, c.162  
11 (C.17B:27A-17 et seq.), or approved for issuance or renewal in this  
12 State by the Commissioner of Banking and Insurance on or after the  
13 effective date of this act, shall provide coverage for expenses  
14 incurred for the treatment of lipedema. The expenses for which  
15 coverage shall be provided shall include compression garments for  
16 all of the covered person's affected extremities, manual lymphatic  
17 drainage, medical nutrition therapy, mental health care, lipectomy  
18 that is determined to be medically necessary by the covered person's  
19 surgeon, and pre-and post-lipectomy appointments with the covered  
20 person's physician and surgeon.

21 b. To receive coverage for expenses incurred for the treatment  
22 of lipedema, a small employer health benefits plan shall only require  
23 a covered person to provide documentation from the covered  
24 person's physician diagnosing the covered person with lipedema and,  
25 if applicable, documentation from the covered person's surgeon that  
26 includes photographs of the covered person that support the diagnosis  
27 and information on the number of lipectomies the covered person's  
28 surgeon deems medically necessary. If a small employer health  
29 benefits plan denies coverage for expenses incurred for the treatment  
30 of lipedema, the small employer health benefits plan shall provide  
31 the covered person with a detailed explanation of the reason for the  
32 denial. A small employer health benefits plan shall not deny  
33 coverage for expenses incurred for the treatment of lipedema solely  
34 based on photographs of the covered person submitted pursuant to  
35 this subsection.

36 c. A small employer health benefits plan shall provide coverage  
37 for the total number of lipectomies deemed medically necessary by  
38 the covered person's surgeon and shall not require a covered person's  
39 surgeon to remove less fat than the surgeon deems medically  
40 necessary to be removed from the covered person during a lipectomy  
41 in order to receive coverage.

42 d. Notwithstanding the provisions of any law, rule, or regulation  
43 to the contrary, prior authorization for a lipectomy shall be valid for  
44 a period of one year from the date the covered person's surgeon  
45 receives the prior authorization and a small employer health benefits  
46 plan shall not revoke, limit, condition, or restrict a prior authorization  
47 within that period if (1) the covered person continues to be eligible  
48 for coverage; (2) the clinical information provided at the time the

1 prior authorization request was made has not been misrepresented by  
2 the surgeon or covered person; and (3) there has not been a material  
3 change in the clinical circumstances or condition of the covered  
4 person. On receipt of information documenting a prior authorization  
5 from the covered person or the covered person's surgeon, a small  
6 employer health benefits plan shall honor a prior authorization  
7 granted to a covered person for a lipectomy by the covered person's  
8 previous carrier for the remainder of the duration of the prior  
9 authorization.

10 e. The benefits provided by this section shall be provided to the  
11 same extent and with the same deductibles, coinsurance, and other  
12 cost sharing as apply to similar services under the health benefits plan  
13 and shall be consistent with the current standard of care for lipedema.

14 f. This section shall apply to those health benefits plans in which  
15 the carrier has reserved the right to change the premium.

16  
17 8. a. A health maintenance organization contract for health  
18 care services that is delivered, issued, executed, or renewed in this  
19 State pursuant to P.L.1973, c.337 (C.26:2J-1 et seq.), or approved for  
20 issuance or renewal in this State by the Commissioner of Banking  
21 and Insurance on or after the effective date of this act, shall provide  
22 coverage for expenses incurred for the treatment of lipedema. The  
23 expenses for which coverage shall be provided shall include  
24 compression garments for all of the enrollee's affected extremities,  
25 manual lymphatic drainage, medical nutrition therapy, mental health  
26 care, lipectomy that is determined to be medically necessary by the  
27 enrollee's surgeon, and pre-and post-lipectomy appointments with  
28 the enrollee's physician and surgeon.

29 b. To receive coverage for expenses incurred for the treatment  
30 of lipedema, a health maintenance organization plan shall only  
31 require an enrollee to provide documentation from the enrollee's  
32 physician diagnosing the enrollee with lipedema and, if applicable,  
33 documentation from the enrollee's surgeon that includes photographs  
34 of the enrollee that support the diagnosis and information on the  
35 number of lipectomies the enrollee's surgeon deems medically  
36 necessary. If a health maintenance organization denies coverage for  
37 expenses incurred for the treatment of lipedema, the health  
38 maintenance organization shall provide the enrollee with a detailed  
39 explanation of the reason for the denial. A health maintenance  
40 organization shall not deny coverage for expenses incurred for the  
41 treatment of lipedema solely based on photographs of the enrollee  
42 submitted pursuant to this subsection.

43 c. A health maintenance organization shall provide coverage for  
44 the total number of lipectomies deemed medically necessary by the  
45 enrollee's surgeon and shall not require an enrollee's surgeon to  
46 remove less fat than the surgeon deems medically necessary to be  
47 removed from the enrollee during a lipectomy in order to receive  
48 coverage.

1       d. Notwithstanding the provisions of any law, rule, or regulation  
2 to the contrary, prior authorization for a lipectomy shall be valid for  
3 a period of one year from the date the enrollee's surgeon receives the  
4 prior authorization and a health maintenance organization shall not  
5 revoke, limit, condition, or restrict a prior authorization within that  
6 period if (1) the enrollee continues to be eligible for coverage; (2) the  
7 clinical information provided at the time the prior authorization  
8 request was made has not been misrepresented by the surgeon or  
9 enrollee; and (3) there has not been a material change in the clinical  
10 circumstances or condition of the enrollee. On receipt of information  
11 documenting a prior authorization from the enrollee or the enrollee's  
12 surgeon, a health maintenance organization shall honor a prior  
13 authorization granted to an enrollee for a lipectomy by the enrollee's  
14 previous carrier for the remainder of the duration of the prior  
15 authorization.

16       e. The benefits provided by this section shall be provided to the  
17 same extent and with the same deductibles, coinsurance, and other  
18 cost sharing as apply to similar services under the contract and shall  
19 be consistent with the current standard of care for lipedema.

20       f. This section shall apply to those contracts for health care  
21 services under which the health maintenance organization has  
22 reserved the right to change the schedule of charges for enrollee  
23 coverage.  
24

25       9. a. The State Health Benefits Commission shall ensure  
26 that every contract purchased by the commission on or after the  
27 effective date of this act that provides hospital and medical expense  
28 benefits shall provide coverage for expenses incurred for the  
29 treatment of lipedema. The expenses for which coverage shall be  
30 provided shall include compression garments for all of the covered  
31 person's affected extremities, manual lymphatic drainage, medical  
32 nutrition therapy, mental health care, lipectomy that is determined to  
33 be medically necessary by the covered person's surgeon, and pre-and  
34 post-lipectomy appointments with the covered person's physician  
35 and surgeon.

36       b. To receive coverage for expenses incurred for the treatment  
37 of lipedema, a contract purchased by the commission shall only  
38 require a covered person to provide documentation from the covered  
39 person's physician diagnosing the covered person with lipedema and,  
40 if applicable, documentation from the covered person's surgeon that  
41 includes photographs of the covered person that support the diagnosis  
42 and information on the number of lipectomies the covered person's  
43 surgeon deems medically necessary. If a contract purchased by the  
44 commission denies coverage for expenses incurred for the treatment  
45 of lipedema, the contract purchased by the commission shall provide  
46 the covered person with a detailed explanation of the reason for the  
47 denial. A contract purchased by the commission shall not deny  
48 coverage for expenses incurred for the treatment of lipedema solely

1 based on photographs of the covered person submitted pursuant to  
2 this subsection.

3 c. A contract purchased by the commission shall provide  
4 coverage for the total number of lipectomies deemed medically  
5 necessary by the covered person's surgeon and shall not require a  
6 covered person's surgeon to remove less fat than the surgeon deems  
7 medically necessary to be removed from the covered person during a  
8 lipectomy in order to receive coverage.

9 d. Notwithstanding the provisions of any law, rule, or regulation  
10 to the contrary, prior authorization for a lipectomy shall be valid for  
11 a period of one year from the date the covered person's surgeon  
12 receives the prior authorization and a contract purchased by the  
13 commission shall not revoke, limit, condition, or restrict a prior  
14 authorization within that period if (1) the covered person continues  
15 to be eligible for coverage; (2) the clinical information provided at  
16 the time the prior authorization request was made has not been  
17 misrepresented by the surgeon or covered person; and (3) there has  
18 not been a material change in the clinical circumstances or condition  
19 of the covered person. On receipt of information documenting a prior  
20 authorization from the covered person or the covered person's  
21 surgeon, a contract purchased by the commission shall honor a prior  
22 authorization granted to a covered person for a lipectomy by the  
23 covered person's previous carrier for the remainder of the duration  
24 of the prior authorization.

25 e. The benefits provided by this section shall be provided to the  
26 same extent and with the same deductibles, coinsurance, and other  
27 cost sharing as apply to similar services under the contract and shall  
28 be consistent with the current standard of care for lipedema.

29

30 10. a. The School Employees' Health Benefits Commission  
31 shall ensure that every contract purchased by the commission on or  
32 after the effective date of this act that provides hospital and medical  
33 expense benefits shall provide coverage for expenses incurred for the  
34 treatment of lipedema. The expenses for which coverage shall be  
35 provided shall include compression garments for all of the covered  
36 person's affected extremities, manual lymphatic drainage, medical  
37 nutrition therapy, mental health care, lipectomy that is determined to  
38 be medically necessary by the covered person's surgeon, and pre-and  
39 post-lipectomy appointments with the covered person's physician  
40 and surgeon.

41 b. To receive coverage for expenses incurred for the treatment  
42 of lipedema, a contract purchased by the commission shall only  
43 require a covered person to provide documentation from the covered  
44 person's physician diagnosing the covered person with lipedema and,  
45 if applicable, documentation from the covered person's surgeon that  
46 includes photographs of the covered person that support the diagnosis  
47 and information on the number of lipectomies the covered person's  
48 surgeon deems medically necessary. If a contract purchased by the

1 commission denies coverage for expenses incurred for the treatment  
2 of lipedema, the contract purchased by the commission shall provide  
3 the covered person with a detailed explanation of the reason for the  
4 denial. A contract purchased by the commission shall not deny  
5 coverage for expenses incurred for the treatment of lipedema solely  
6 based on photographs of the covered person submitted pursuant to  
7 this subsection.

8 c. A contract purchased by the commission shall provide  
9 coverage for the total number of lipectomies deemed medically  
10 necessary by the covered person's surgeon and shall not require a  
11 covered person's surgeon to remove less fat than the surgeon deems  
12 medically necessary to be removed from the covered person during a  
13 lipectomy in order to receive coverage.

14 d. Notwithstanding the provisions of any law, rule, or regulation  
15 to the contrary, prior authorization for a lipectomy shall be valid for  
16 a period of one year from the date the covered person's surgeon  
17 receives the prior authorization and a contract purchased by the  
18 commission shall not revoke, limit, condition, or restrict a prior  
19 authorization within that period if (1) the covered person continues  
20 to be eligible for coverage; (2) the clinical information provided at  
21 the time the prior authorization request was made has not been  
22 misrepresented by the surgeon or covered person; and (3) there has  
23 not been a material change in the clinical circumstances or condition  
24 of the covered person. On receipt of information documenting a prior  
25 authorization from the covered person or the covered person's  
26 surgeon, a contract purchased by the commission shall honor a prior  
27 authorization granted to a covered person for a lipectomy by the  
28 covered person's previous carrier for the remainder of the duration  
29 of the prior authorization.

30 e. The benefits provided by this section shall be provided to the  
31 same extent and with the same deductibles, coinsurance, and other  
32 cost sharing as apply to similar services under the contract and shall  
33 be consistent with the current standard of care for lipedema.

34  
35 11. This act shall take effect on the first day of the sixth month  
36 next following enactment and shall apply to contracts entered into or  
37 renewed after that date.

#### 40 STATEMENT

41  
42 This bill requires health insurers (health, hospital and medical  
43 service corporations, commercial individual and group health  
44 insurers; health maintenance organizations, health benefits plans  
45 issued pursuant to the New Jersey Individual Health Coverage and  
46 Small Employer Health Benefits Programs, the State Health Benefits  
47 Program, and the School Employees' Health Benefits Program) to  
48 provide coverage for expenses incurred for the treatment of lipedema.

1 The expenses for which coverage is to be provided include  
2 compression garments for all of the covered person's affected  
3 extremities, manual lymphatic drainage, medical nutrition therapy,  
4 mental health care, lipectomy that is determined to be medically  
5 necessary by the covered person's surgeon, and pre-and post-  
6 lipectomies appointments with the covered person's physician and  
7 surgeon.

8 The bill requires a covered person to provide a carrier with  
9 documentation from the covered person's physician diagnosing the  
10 covered person with lipedema and, if applicable, documentation from  
11 the covered person's surgeon that includes photographs of the  
12 covered person that support the diagnosis and information on the  
13 number of lipectomies the covered person's surgeon deems  
14 medically necessary.

15 Under the bill, a carrier is to provide coverage for the total number  
16 of lipectomies deemed medically necessary by the covered person's  
17 surgeon and shall not require a covered person's surgeon to remove  
18 less fat than the surgeon deems medically necessary to be removed  
19 from the covered person during lipectomy in order to receive  
20 coverage. If a carrier denies coverage for expenses incurred for the  
21 treatment of lipedema, the carrier is to provide the covered person  
22 with a detailed explanation of the reason for the denial. A carrier  
23 cannot deny coverage for expenses incurred for the treatment of  
24 lipedema solely based on photographs of the covered person  
25 submitted pursuant to the bill.

26 Additionally, the bill provides that prior authorization granted by  
27 a carrier for a lipectomy is valid for a period of one year from the  
28 date the covered person's surgeon receives the prior authorization. A  
29 carrier is required to honor a prior authorization granted to a covered  
30 person for a lipectomy by the covered person's previous carrier for  
31 the remainder of the duration of the prior authorization. Coverage is  
32 to be provided consistent with the current standard of care for  
33 lipedema.

34 Lipedema is a chronic, progressive condition characterized by  
35 abnormal and often painful fat accumulation in specific areas of the  
36 body. The condition does not have a cure, but lipectomy can help  
37 remove fat and reduce the pain associated with the condition.

## Appendix II

**Joseph A. Lagana**  
*Chair*

**Joseph P. Cryan**  
*Vice-Chair*

Gordon M. Johnson  
Jon M. Bramnick  
Robert W. Singer



Liza Ackerman  
Jamie Galembo  
*Office of Legislative Services*  
*Committee Aides*  
609-847-3845

# **NEW JERSEY LEGISLATURE**

## **SENATE COMMERCE COMMITTEE**

STATE HOUSE ANNEX • P.O. BOX 068 • TRENTON, NJ 08625-  
0068  
[www.njleg.gov](http://www.njleg.gov)

June 11, 2025

New Jersey Mandated Health Benefits Advisory Commission  
P.O. Box 325  
Trenton, NJ 08625

Dear Members of the Commission:

As the Chair of the Senate Commerce Committee, I respectfully request the Commission to review and prepare a written report of Senate Bill 4495, sponsored by Senators Steinhardt and Ruiz. The bill requires health benefits coverage for treatment of lipedema.

If you have any questions, please do not hesitate to contact Allison Meyers or David Smith, Senate Commerce Committee Aides, at 609-847-3700. Thank you for your immediate attention to this matter.

Sincerely,

Joseph A. Lagana  
Senator, 38th District

CC: Allison Meyers  
Policy Analyst  
Senate Majority Office

David Smith  
Senior Policy Analyst  
Senate Majority Office