

ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, No. 2238

STATE OF NEW JERSEY

**Sponsored by Assemblymen PRIETO, ROBERTS, Assemblywoman VOSS,
Assemblymen Ramos, Biondi, Assemblywoman Pou, Vainieri Huttie, Assemblymen
Coutinho, Scalera, Diegnan, Assemblywomen Wagner, Lampitt and Jasey**

AN ACT concerning health benefits coverage for certain therapies
for the treatment of autism and other developmental disabilities
and supplementing various parts of the statutory law.

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

1. Notwithstanding any other provision of law to the contrary,
every hospital service corporation contract that provides hospital
and medical expense benefits and is delivered, issued, executed, or
renewed in this State pursuant to P.L.1938, c.366 (C.17:48-1 et
seq.), or approved for issuance or renewal in this State by the
Commissioner of Banking and Insurance, on or after the effective
date of this act, shall provide coverage pursuant to the provisions of
this section.

a. When the covered person's primary diagnosis is autism or
another developmental disability, the hospital service corporation
shall provide coverage for expenses incurred for **medically
necessary** occupational therapy, physical therapy, and speech
therapy. Coverage of these therapies shall not be denied on the
basis that the treatment is not restorative.

b. When the covered person is under 21 years of age and the
covered person's primary diagnosis is autism or another
developmental disability, the hospital service corporation shall
provide coverage for expenses incurred for **medically necessary**
behavioral interventions based on the principles of applied
behavioral analysis and related structured behavioral programs,
subject to the provisions of this subsection.

(1) Except as provided in paragraph (3) of this subsection, the
benefits provided pursuant to this subsection shall be provided to
the same extent as for any other medical condition under the
contract, **but shall not be subject to limits on the number of visits
that a covered person may make to a provider of behavioral**

interventions.

(2) The benefits provided pursuant to this subsection shall not be denied on the basis that the treatment is not restorative.

(3) (a) The maximum benefit amount for a covered person in any calendar year through 2011 shall be \$36,000;

(b) Commencing on January 1, 2012, the maximum benefit amount shall be subject to an adjustment, to be promulgated by the Commissioner of Banking and Insurance and published in the New Jersey Register no later than February 1 of each calendar year, which shall be equal to the change in the consumer price index for all urban consumers for the nation, as prepared by the United States Department of Labor, for the calendar year preceding the calendar year in which the adjustment to the maximum benefit amount is promulgated; and

(c) The adjusted maximum benefit amount shall apply to a contract that is delivered, issued, executed, or renewed, or approved for issuance or renewal, in the 12-month period following the date on which the adjustment is promulgated.

(4) The provisions of this subsection shall not be construed to: require that benefits be provided to reimburse the cost of services provided under an individualized family service plan or an individualized education program; or affect any requirement to provide those services.

(5) The provisions of this subsection shall not be construed as limiting benefits otherwise available to a covered person.

c. The coverage required under this section may be subject to utilization review, including periodic review, by the hospital service corporation of the continued medical necessity of the specified therapies and interventions.

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

2. a. Notwithstanding any other provision of law to the contrary, every medical service corporation contract that provides hospital and medical expense benefits and is delivered, issued, executed, or renewed in this State pursuant to P.L.1940, c.74 (C.17:48A-1 et seq.), or approved for issuance or renewal in this State by the Commissioner of Banking and Insurance, on or after the effective date of this act, shall provide coverage pursuant to the provisions of this section.

a. When the covered person's primary diagnosis is autism or another developmental disability, the medical service corporation shall provide coverage for expenses incurred for medically necessary occupational therapy, physical therapy, and speech therapy. Coverage of these therapies shall not be denied on the basis that the treatment is not restorative.

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b. When the covered person is under 21 years of age and the covered person's primary diagnosis is autism or another developmental disability, the medical service corporation shall provide coverage for expenses incurred for medically necessary behavioral interventions based on the principles of applied behavioral analysis and related structured behavioral programs, subject to the provisions of this subsection.

(1) Except as provided in paragraph (3) of this subsection, the benefits provided pursuant to this subsection shall be provided to the same extent as for any other medical condition under the contract, but shall not be subject to limits on the number of visits that a covered person may make to a provider of behavioral interventions.

(2) The benefits provided pursuant to this subsection shall not be denied on the basis that the treatment is not restorative.

(3) (a) The maximum benefit amount for a covered person in any calendar year through 2011 shall be \$36,000;

(b) Commencing on January 1, 2012, the maximum benefit amount shall be subject to an adjustment, to be promulgated by the Commissioner of Banking and Insurance and published in the New Jersey Register no later than February 1 of each calendar year, which shall be equal to the change in the consumer price index for all urban consumers for the nation, as prepared by the United States Department of Labor, for the calendar year preceding the calendar year in which the adjustment to the maximum benefit amount is promulgated; and

(c) The adjusted maximum benefit amount shall apply to a contract that is delivered, issued, executed, or renewed, or approved for issuance or renewal, in the 12-month period following the date on which the adjustment is promulgated.

(4) The provisions of this subsection shall not be construed to: require that benefits be provided to reimburse the cost of services provided under an individualized family service plan or an individualized education program; or affect any requirement to provide those services.

(5) The provisions of this subsection shall not be construed as limiting benefits otherwise available to a covered person.

c. The coverage required under this section may be subject to utilization review, including periodic review, by the medical service corporation of the continued medical necessity of the specified therapies and interventions.

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

3. a. Notwithstanding any other provision of law to the contrary, every health service corporation contract that provides

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hospital and medical expense benefits and is delivered, issued, executed, or renewed in this State pursuant to P.L.1985, c.236 (C.17:48E-1 et seq.), or approved for issuance or renewal in this State by the Commissioner of Banking and Insurance, on or after the effective date of this act, shall provide coverage pursuant to the provisions of this section.

a. When the covered person's primary diagnosis is autism or another developmental disability, the health service corporation shall provide coverage for expenses incurred for medically necessary occupational therapy, physical therapy, and speech therapy. Coverage of these therapies shall not be denied on the basis that the treatment is not restorative.

b. When the covered person is under 21 years of age and the covered person's primary diagnosis is autism or another developmental disability, the health service corporation shall provide coverage for expenses incurred for medically necessary behavioral interventions based on the principles of applied behavioral analysis and related structured behavioral programs, subject to the provisions of this subsection.

(1) Except as provided in paragraph (3) of this subsection, the benefits provided pursuant to this subsection shall be provided to the same extent as for any other medical condition under the contract, but shall not be subject to limits on the number of visits that a covered person may make to a provider of behavioral interventions.

(2) The benefits provided pursuant to this subsection shall not be denied on the basis that the treatment is not restorative.

(3) (a) The maximum benefit amount for a covered person in any calendar year through 2011 shall be \$36,000;

(b) Commencing on January 1, 2012, the maximum benefit amount shall be subject to an adjustment, to be promulgated by the Commissioner of Banking and Insurance and published in the New Jersey Register no later than February 1 of each calendar year, which shall be equal to the change in the consumer price index for all urban consumers for the nation, as prepared by the United States Department of Labor, for the calendar year preceding the calendar year in which the adjustment to the maximum benefit amount is promulgated; and

(c) The adjusted maximum benefit amount shall apply to a contract that is delivered, issued, executed, or renewed, or approved for issuance or renewal, in the 12-month period following the date on which the adjustment is promulgated.

(4) The provisions of this subsection shall not be construed to: require that benefits be provided to reimburse the cost of services provided under an individualized family service plan or an individualized education program; or affect any requirement to provide those services.

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(5) The provisions of this subsection shall not be construed as limiting benefits otherwise available to a covered person.

c. The coverage required under this section may be subject to utilization review, including periodic review, by the health service corporation of the continued medical necessity of the specified therapies and interventions.

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

4. a. Notwithstanding any other provision of law to the contrary, every individual health insurance policy that provides hospital and medical expense benefits and is delivered, issued, executed, or renewed in this State pursuant to chapter 26 of Title 17B of the New Jersey Statutes, or approved for issuance or renewal in this State by the Commissioner of Banking and Insurance, on or after the effective date of this act, shall provide coverage pursuant to the provisions of this section.

a. When the covered person's primary diagnosis is autism or another developmental disability, the insurer shall provide coverage for expenses incurred for medically necessary occupational therapy, physical therapy, and speech therapy. Coverage of these therapies shall not be denied on the basis that the treatment is not restorative.

b. When the covered person is under 21 years of age and the covered person's primary diagnosis is autism or another developmental disability, the insurer shall provide coverage for expenses incurred for medically necessary behavioral interventions based on the principles of applied behavioral analysis and related structured behavioral programs, subject to the provisions of this subsection.

(1) Except as provided in paragraph (3) of this subsection, the benefits provided pursuant to this subsection shall be provided to the same extent as for any other medical condition under the contract, but shall not be subject to limits on the number of visits that a covered person may make to a provider of behavioral interventions.

(2) The benefits provided pursuant to this subsection shall not be denied on the basis that the treatment is not restorative.

(3) (a) The maximum benefit amount for a covered person in any calendar year through 2011 shall be \$36,000;

(b) Commencing on January 1, 2012, the maximum benefit amount shall be subject to an adjustment, to be promulgated by the Commissioner of Banking and Insurance and published in the New Jersey Register no later than February 1 of each calendar year, which shall be equal to the change in the consumer price index for all urban consumers for the nation, as prepared by the United States Department of Labor, for the calendar year preceding the calendar

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year in which the adjustment to the maximum benefit amount is promulgated; and

(c) The adjusted maximum benefit amount shall apply to a contract that is delivered, issued, executed, or renewed, or approved for issuance or renewal, in the 12-month period following the date on which the adjustment is promulgated.

(4) The provisions of this subsection shall not be construed to: require that benefits be provided to reimburse the cost of services provided under an individualized family service plan or an individualized education program; or affect any requirement to provide those services.

(5) The provisions of this subsection shall not be construed as limiting benefits otherwise available to a covered person.

c. The coverage required under this section may be subject to utilization review, including periodic review, by the insurer of the continued medical necessity of the specified therapies and interventions.

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

5. a. Notwithstanding any other provision of law to the contrary, every group health insurance policy that provides hospital and medical expense benefits and is delivered, issued, executed, or renewed in this State pursuant to chapter 27 of Title 17B of the New Jersey Statutes, or approved for issuance or renewal in this State by the Commissioner of Banking and Insurance, on or after the effective date of this act, shall provide coverage pursuant to the provisions of this section.

a. When the covered person's primary diagnosis is autism or another developmental disability, the insurer shall provide coverage for expenses incurred for medically necessary occupational therapy, physical therapy, and speech therapy. Coverage of these therapies shall not be denied on the basis that the treatment is not restorative.

b. When the covered person is under 21 years of age and the covered person's primary diagnosis is autism or another developmental disability, the insurer shall provide coverage for expenses incurred for medically necessary behavioral interventions based on the principles of applied behavioral analysis and related structured behavioral programs, subject to the provisions of this subsection.

(1) Except as provided in paragraph (3) of this subsection, the benefits provided pursuant to this subsection shall be provided to the same extent as for any other medical condition under the contract, but shall not be subject to limits on the number of visits that a covered person may make to a provider of behavioral interventions.

(2) The benefits provided pursuant to this subsection shall not

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be denied on the basis that the treatment is not restorative.

(3) (a) The maximum benefit amount for a covered person in any calendar year through 2011 shall be \$36,000;

(b) Commencing on January 1, 2012, the maximum benefit amount shall be subject to an adjustment, to be promulgated by the Commissioner of Banking and Insurance and published in the New Jersey Register no later than February 1 of each calendar year, which shall be equal to the change in the consumer price index for all urban consumers for the nation, as prepared by the United States Department of Labor, for the calendar year preceding the calendar year in which the adjustment to the maximum benefit amount is promulgated; and

(c) The adjusted maximum benefit amount shall apply to a contract that is delivered, issued, executed, or renewed, or approved for issuance or renewal, in the 12-month period following the date on which the adjustment is promulgated.

(4) The provisions of this subsection shall not be construed to: require that benefits be provided to reimburse the cost of services provided under an individualized family service plan or an individualized education program; or affect any requirement to provide those services.

(5) The provisions of this subsection shall not be construed as limiting benefits otherwise available to a covered person.

c. The coverage required under this section may be subject to utilization review, including periodic review, by the insurer of the continued medical necessity of the specified therapies and interventions.

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

6. a. Notwithstanding any other provision of law to the contrary, an individual health benefits plan that provides hospital and medical expense benefits and is delivered, issued, executed, renewed, or approved for issuance or renewal in this State pursuant to P.L.1992, c.161 (C.17B:27A-2 et seq.), or approved for issuance or renewal in this State by the Commissioner of Banking and Insurance, on or after the effective date of this act, shall provide coverage pursuant to the provisions of this section.

a. When the covered person's primary diagnosis is autism or another developmental disability, the carrier shall provide coverage for expenses incurred for medically necessary occupational therapy, physical therapy, and speech therapy. Coverage of these therapies shall not be denied on the basis that the treatment is not restorative.

b. When the covered person is under 21 years of age and the covered person's primary diagnosis is autism or another developmental disability, the carrier shall provide coverage for expenses incurred for medically necessary behavioral interventions

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based on the principles of applied behavioral analysis and related structured behavioral programs, subject to the provisions of this subsection.

(1) Except as provided in paragraph (3) of this subsection, the benefits provided pursuant to this subsection shall be provided to the same extent as for any other medical condition under the contract, but shall not be subject to limits on the number of visits that a covered person may make to a provider of behavioral interventions.

(2) The benefits provided pursuant to this subsection shall not be denied on the basis that the treatment is not restorative.

(3) (a) The maximum benefit amount for a covered person in any calendar year through 2011 shall be \$36,000;

(b) Commencing on January 1, 2012, the maximum benefit amount shall be subject to an adjustment, to be promulgated by the Commissioner of Banking and Insurance and published in the New Jersey Register no later than February 1 of each calendar year, which shall be equal to the change in the consumer price index for all urban consumers for the nation, as prepared by the United States Department of Labor, for the calendar year preceding the calendar year in which the adjustment to the maximum benefit amount is promulgated; and

(c) The adjusted maximum benefit amount shall apply to a contract that is delivered, issued, executed, or renewed, or approved for issuance or renewal, in the 12-month period following the date on which the adjustment is promulgated.

(4) The provisions of this subsection shall not be construed to: require that benefits be provided to reimburse the cost of services provided under an individualized family service plan or an individualized education program; or affect any requirement to provide those services.

(5) The provisions of this subsection shall not be construed as limiting benefits otherwise available to a covered person.

c. The coverage required under this section may be subject to utilization review, including periodic review, by the carrier of the continued medical necessity of the specified therapies and interventions.

d. The provisions of this section shall apply to those health benefits plans in which the carrier has reserved the right to change the premium.

7. a. Notwithstanding any other provision of law to the contrary, a small employer health benefits plan that provides hospital and medical expense benefits and is delivered, issued, executed, renewed, or approved for issuance or renewal in this State pursuant to P.L.1992, c.162 (C.17B:27A-17 et seq.), or approved for issuance or renewal in this State by the Commissioner of

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Banking and Insurance, on or after the effective date of this act, shall provide coverage pursuant to the provisions of this section.

a. When the covered person's primary diagnosis is autism or another developmental disability, the carrier shall provide coverage for expenses incurred for medically necessary occupational therapy, physical therapy, and speech therapy. Coverage of these therapies shall not be denied on the basis that the treatment is not restorative.

b. When the covered person is under 21 years of age and the covered person's primary diagnosis is autism or another developmental disability, the carrier shall provide coverage for expenses incurred for medically necessary behavioral interventions based on the principles of applied behavioral analysis and related structured behavioral programs, subject to the provisions of this subsection.

(1) Except as provided in paragraph (3) of this subsection, the benefits provided pursuant to this subsection shall be provided to the same extent as for any other medical condition under the contract, but shall not be subject to limits on the number of visits that a covered person may make to a provider of behavioral interventions.

(2) The benefits provided pursuant to this subsection shall not be denied on the basis that the treatment is not restorative.

(3) (a) The maximum benefit amount for a covered person in any calendar year through 2011 shall be \$36,000;

(b) Commencing on January 1, 2012, the maximum benefit amount shall be subject to an adjustment, to be promulgated by the Commissioner of Banking and Insurance and published in the New Jersey Register no later than February 1 of each calendar year, which shall be equal to the change in the consumer price index for all urban consumers for the nation, as prepared by the United States Department of Labor, for the calendar year preceding the calendar year in which the adjustment to the maximum benefit amount is promulgated; and

(c) The adjusted maximum benefit amount shall apply to a contract that is delivered, issued, executed, or renewed, or approved for issuance or renewal, in the 12-month period following the date on which the adjustment is promulgated.

(4) The provisions of this subsection shall not be construed to: require that benefits be provided to reimburse the cost of services provided under an individualized family service plan or an individualized education program; or affect any requirement to provide those services.

(5) The provisions of this subsection shall not be construed as limiting benefits otherwise available to a covered person.

c. The coverage required under this section may be subject to utilization review, including periodic review, by the carrier of the continued medical necessity of the specified therapies and

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interventions.

d. The provisions of this section shall apply to those health benefits plans in which the carrier has reserved the right to change the premium.

8. a. Notwithstanding any other provision of law to the contrary, a health maintenance organization enrollee agreement that provides health care services and is delivered, issued, executed, or renewed in this State pursuant to P.L.1973, c.337 (C.26:2J-1 et seq.), or approved for issuance or renewal in this State by the Commissioner of Banking and Insurance, on or after the effective date of this act, shall provide coverage pursuant to the provisions of this section.

a. When the covered person's primary diagnosis is autism or another developmental disability, the health maintenance organization shall provide coverage for medically necessary occupational therapy, physical therapy, and speech therapy services. Coverage of these therapies shall not be denied on the basis that the treatment is not restorative.

b. When the covered person is under 21 years of age and the covered person's primary diagnosis is autism or another developmental disability, the health maintenance organization shall provide coverage for medically necessary behavioral interventions based on the principles of applied behavioral analysis and related structured behavioral programs, subject to the provisions of this subsection.

(1) Except as provided in paragraph (3) of this subsection, the coverage provided pursuant to this subsection shall be provided to the same extent as for any other medical condition under the contract, but shall not be subject to limits on the number of visits that a covered person may make to a provider of behavioral interventions.

(2) The coverage provided pursuant to this subsection shall not be denied on the basis that the treatment is not restorative.

(3) (a) The maximum coverage amount for a covered person in any calendar year through 2011 shall be \$36,000;

(b) Commencing on January 1, 2012, the maximum coverage amount shall be subject to an adjustment, to be promulgated by the Commissioner of Banking and Insurance and published in the New Jersey Register no later than February 1 of each calendar year, which shall be equal to the change in the consumer price index for all urban consumers for the nation, as prepared by the United States Department of Labor, for the calendar year preceding the calendar year in which the adjustment to the maximum benefit amount is promulgated; and

(c) The adjusted maximum coverage amount shall apply to a contract that is delivered, issued, executed, or renewed, or approved

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for issuance or renewal, in the 12-month period following the date on which the adjustment is promulgated.

(4) The provisions of this subsection shall not be construed to: require that coverage be provided for the cost of services provided under an individualized family service plan or an individualized education program; or affect any requirement to provide those services.

(5) The provisions of this subsection shall not be construed as limiting benefits otherwise available to a covered person.

c. The coverage required under this section may be subject to utilization review, including periodic review, by the health maintenance organization of the continued medical necessity of the specified therapies and interventions.

d. The provisions of this section shall apply to those enrollee agreements in which the health maintenance organization has reserved the right to change the premium.

9. a. Notwithstanding any other provision of law to the contrary, the State Health Benefits Commission shall provide coverage pursuant to the provisions of this section.

a. When the covered person's primary diagnosis is autism or another developmental disability, the program shall provide coverage for expenses incurred for medically necessary occupational therapy, physical therapy, and speech therapy. Coverage of these therapies shall not be denied on the basis that the treatment is not restorative.

b. When the covered person is under 21 years of age and the covered person's primary diagnosis is autism or another developmental disability, the program shall provide coverage for expenses incurred for medically necessary behavioral interventions based on the principles of applied behavioral analysis and related structured behavioral programs, subject to the provisions of this subsection.

(1) Except as provided in paragraph (3) of this subsection, the benefits provided pursuant to this subsection shall be provided to the same extent as for any other medical condition under the program, but shall not be subject to limits on the number of visits that a covered person may make to a provider of behavioral interventions.

(2) The benefits provided pursuant to this subsection shall not be denied on the basis that the treatment is not restorative.

(3) (a) The maximum benefit amount for a covered person in any calendar year through 2011 shall be \$36,000;

(b) Commencing on January 1, 2012, the maximum benefit amount shall be subject to an adjustment, to be promulgated by the Commissioner of Banking and Insurance and published in the New Jersey Register no later than February 1 of each calendar year,

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which shall be equal to the change in the consumer price index for all urban consumers for the nation, as prepared by the United States Department of Labor, for the calendar year preceding the calendar year in which the adjustment to the maximum benefit amount is promulgated; and

(c) The adjusted maximum benefit amount shall apply to a contract that is delivered, issued, executed, or renewed, or approved for issuance or renewal, in the 12-month period following the date on which the adjustment is promulgated.

(4) The provisions of this subsection shall not be construed to: require that benefits be provided to reimburse the cost of services provided under an individualized family service plan or an individualized education program; or affect any requirement to provide those services.

(5) The provisions of this subsection shall not be construed as limiting benefits otherwise available to a covered person.

c. The coverage required under this section may be subject to utilization review, including periodic review, by the program of the continued medical necessity of the specified therapies and interventions.

10. This act shall take effect on the 180th day after enactment.

Requires health benefits coverage for certain therapies for the treatment of autism and other developmental disabilities.

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