26:2S-10.1

LEGISLATIVE HISTORY CHECKLIST

Compiled by the NJ State Law Library

			Comp	blied by the NJ St	ate Law Library			
LAWS OF:	2000	CHAPTER: 121		121				
NJSA:	26:2S-10.1	(Mana	ged care	- services for her	nophiliacs))			
BILL NO:	S786 (Substi		tuted for	A2120)				
SPONSOR(S): Sinagra								
DATE INTRODUCED: January 31, 2000								
COMMITTEE:	ASSE	MBLY:	Bankin	g and Insurance				
	SENA	TE:	Health					
AMENDED DURING PASSAGE		E:	Yes					
DATE OF PASSAGE:		ASSE	MBLY:	May 25, 2000				
		SENA	ſE:	June 8, 2000				
DATE OF APPROVAL:		September 14, 2000						
FOLLOWING ARE ATTACHED IF AVAILABLE:								
FINAL TEXT OF BILL (1st reprint) (Amendments during passage denoted by superscript numbers)								
S786	S SPONSORS STATEMENT: (Begins on page 5 of original bill) Yes							
	COMMITTEE STATEMENT:				ASSEMBLY:	Yes		
					SENATE:	Yes		
	FLOOR AMENDMENT STATEMENT:					Yes		
	LEGISLATIVE FISCAL ESTIMATE:					No		
A2120	SPONSORS STATEMENT: (Begins on page 5 of original bill) Yes Bill and Sponsors Statement identical to S78							
	COMMITTEE STATEMENT:				ASSEMBLY: Identical to Assembly St	Yes atement to S786		
					SENATE:	No		
	FLOOR AMENDMENT STATEMENTS:					No		
	LEGISLATIVE FISCAL ESTIMATE:					No		
VETO MESSAGE:						No		
GOVERNOR'S PRESS RELEASE ON SIGNING:						Yes		

To check for circulating copies, contact New Jersey State Government Publications at the State Library (609) 278-2640 ext.103 or <u>mailto:refdesk@njstatelib.org</u>

REPORTS:	No
HEARINGS:	No
NEWSPAPER ARTICLES:	No

SENATE, No. 786

STATE OF NEW JERSEY 209th LEGISLATURE

INTRODUCED JANUARY 31, 2000

Sponsored by: Senator JACK SINAGRA District 18 (Middlesex)

Co-Sponsored by: Assemblymen Bateman and Cohen

SYNOPSIS

Requires managed care plans to contract with providers that meet certain standards when providing services for hemophiliacs.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 3/28/2000)

AN ACT concerning health care coverage for treatment of hemophilia,
 supplementing P.L.1997, c.192 (C.26:2S-1 et seq.) and revising
 parts of statutory law.

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

7

8 1. A carrier which offers a managed care plan that provides 9 benefits or health care services, as applicable, for the home treatment 10 of bleeding episodes associated with hemophilia, including the 11 purchase of blood products and blood infusion equipment, shall 12 comply with the provisions of this section.

a. For the purpose of providing home treatment services for bleeding episodes associated with hemophilia, the carrier shall be required to contract with, and exclusively use, providers that comply with standards adopted by regulation of the Department of Health and Senior Services in consultation with the Hemophilia Association of New Jersey. At a minimum, the standards shall require that each provider:

(1) provide services pursuant to a prescription from the covered
person's attending physician and not make any substitutions of blood
products without prior approval of the attending physician;

(2) provide all brands of clotting factor products in low, medium
and high-assay range levels to execute treatment regimens as
prescribed by a covered person's attending physician, and all needed
ancillary supplies for the treatment or prevention of bleeding episodes,
including, but not limited to, needles, syringes and cold compression
packs;

(3) have the ability to deliver prescribed blood products,
medications and nursing services within three hours after receipt of a
prescription for an emergent situation, and maintain 24-hour on-call
service to accommodate this requirement;

33 (4) demonstrate experience with and knowledge of bleeding34 disorders and the management thereof;

(5) demonstrate the ability for appropriate and necessary record
keeping and documentation, including the ability to expedite product
recall or notification systems and the ability to assist covered persons
in obtaining third party reimbursement;

39 (6) provide for proper removal and disposal of hazardous waste40 pursuant to State and federal law;

41 (7) provide covered persons with a written copy of the agency's
42 policy regarding discontinuation of services related to loss of health
43 benefits plan coverage or inability to pay; and

(8) provide covered persons, upon request, with information about
the expected costs for medications and services provided by the
agency that are not otherwise covered by the covered person's health

1 benefits plan.

2 b. The Department of Health and Senior Services shall compile a

3 list of providers who meet the minimum standards established pursuant

4 to this section and shall make the list available to carriers and covered

5 persons, upon request.

c. As used in this section: "blood product" includes, but is not
limited to, Factor VIII, Factor IX and cryoprecipitate; and "blood
infusion equipment" includes, but is not limited to, syringes and
needles.

10

A carrier which offers a managed care plan shall provide
 payment for services to the clinical laboratory at a hospital with a
 State-designated outpatient regional hemophilia care center regardless
 of whether the hospital's clinical laboratory is a participating provider
 in the managed care plan, if the covered person's attending physician
 determines that use of the hospital's clinical laboratory is necessary
 because:

a. the results of laboratory tests are medically necessary
immediately or sooner than the normal return time for the carrier's
participating clinical laboratory; or

b. accurate test results need to be determined by closely supervised
procedures in venipuncture and laboratory techniques in controlled
environments that cannot be achieved by the carrier's participating
clinical laboratory.

The carrier shall pay the hospital's clinical laboratory for the laboratory services at the same rate it would pay a participating clinical laboratory for comparable services.

28

29 3. Notwithstanding the provisions of chapter 26 of Title 17B of the New Jersey Statutes to the contrary, no policy shall be delivered, 30 issued, executed or renewed on or after the effective date of P.L., c. 31 32 (C.)(pending before the Legislature as this bill) unless the policy meets the requirements of sections 1 and 2 of P.L. , c. (C. 33 34 (pending before the Legislature as this bill) and the regulations adopted thereto. The provisions of this section shall apply to all 35 policies in which the insurer has reserved the right to change the 36 37 premium.

38

39 4. Notwithstanding the provisions of chapter 27 of Title 17B of the 40 New Jersey Statutes to the contrary, no policy shall be delivered, 41 issued, executed or renewed on or after the effective date of P.L., c. (C.)(pending before the Legislature as this bill) unless the policy 42 meets the requirements of sections 1 and 2 of P.L. 43 , c. 44 (C.)(pending before the Legislature as this bill) and the regulations 45 adopted thereto. The provisions of this section shall apply to all policies in which the insurer has reserved the right to change the 46

1 premium.

2

3 Notwithstanding the provisions of P.L.1992, c.162 5. 4 (C.17B:27A-17 et seq.) to the contrary, no policy or contract shall be delivered, issued, executed or renewed on or after the effective date 5 6 of P.L., c. (C.)(pending before the Legislature as this bill) unless 7 the policy or contract meets the requirements of sections 1 and 2 of 8 P.L., c. (C.)(pending before the Legislature as this bill) and the 9 regulations adopted thereto. The provisions of this section shall apply 10 to all policies or contracts in which the carrier has reserved the right 11 to change the premium.

12

13 6. Notwithstanding the provisions of P.L.1992, c.161 14 (C.17B:27A-2 et seq.) to the contrary, no policy or contract shall be 15 delivered, issued, executed or renewed on or after the effective date of P.L., c. (C.)(pending before the Legislature as this bill) unless 16 17 the policy or contract meets the requirements of sections 1 and 2 of P.L., c. (C.)(pending before the Legislature as this bill) and the 18 19 regulations adopted thereto. The provisions of this section shall apply 20 to all policies or contracts in which the carrier has reserved the right 21 to change the premium.

22

23 7. Notwithstanding the provisions of P.L.1938, c.366 (C.17:48-1 et seq.) to the contrary, no individual or group contract shall be 24 25 delivered, issued, executed or renewed on or after the effective date 26 of P.L., c. (C.)(pending before the Legislature as this bill) unless 27 the contract meets the requirements of sections 1 and 2 of P.L., c. (C.)(pending before the Legislature as this bill) and the regulations 28 29 adopted thereto. The provisions of this section shall apply to all 30 contracts in which the hospital service corporation has reserved the 31 right to change the premium.

32

33 8. Notwithstanding the provisions of P.L.1940, c.74 (C.17:48A-1 34 et seq.) to the contrary, no individual or group contract shall be delivered, issued, executed or renewed on or after the effective date 35 of P.L., c. (C.)(pending before the Legislature as this bill) unless 36 the contract meets the requirements of sections 1 and 2 of P.L., c. 37 38 (C.)(pending before the Legislature as this bill) and the regulations 39 adopted thereto. The provisions of this section shall apply to all 40 contracts in which the medical service corporation has reserved the 41 right to change the premium.

42

9. Notwithstanding the provisions of P.L.1985, c.236 (C.17:48E-1
et seq.) to the contrary, no individual or group contract shall be
delivered, issued, executed or renewed on or after the effective date
of P.L., c. (C.)(pending before the Legislature as this bill) unless

1 the contract meets the requirements of sections 1 and 2 of P.L., c. 2 (C.)(pending before the Legislature as this bill) and the regulations 3 adopted thereto. The provisions of this section shall apply to all 4 contracts in which the health service corporation has reserved the right to change the premium. 5 6 7 10. Notwithstanding the provisions of P.L.1973, c.337 (C.26:2J-1 8 et seq.) to the contrary, a certificate of authority to establish and 9 operate a health maintenance organization in this State shall not be issued or continued on or after the effective date of P.L., c. (C.) 10 (pending before the Legislature as this bill) unless the health 11 maintenance organization meets the requirements of sections 1 and 2 12 13 of P.L., c. (C.) (pending before the Legislature as this bill) and 14 the regulations adopted thereto. The provisions of this section shall 15 apply to all enrollee agreements in which the health maintenance organization has reserved the right to change the schedule of charges. 16 17 18 11. The Department of Health and Senior Services, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et 19 seq.), shall adopt regulations to carry out the provisions of sections 1 20 21 and 2 of this act. 22 23 12. This act shall take effect immediately. 24 25 26 **STATEMENT** 27 28 This bill supplements the "Health Care Quality Act" 29 (N.J.S.A.26:2S-1 et seq.) to require commercial individual and group 30 health insurers, health maintenance organizations and hospital, medical 31 and health service corporations which offer a managed care plan that provides benefits for the home treatment of bleeding episodes 32 associated with hemophilia, including the purchase of blood products 33 34 and blood infusion equipment, to contract with, and exclusively use, providers that comply with standards adopted by the Department of 35 Health and Senior Services in consultation with the Hemophilia 36 37 Association of New Jersey. 38 At a minimum, the standards shall provide that a provider shall: 39 (1) provide services pursuant to a prescription from the covered 40 person's attending physician and not make any substitutions of blood 41 products without prior approval of the attending physician; (2) provide all brands of clotting factor products in low, medium 42 and high-assay range levels to execute treatment regimens as 43 44 prescribed by a covered person's attending physician, and all needed 45 ancillary supplies for the treatment or prevention of bleeding episodes, including, but not limited to, needles, syringes and cold compression 46

1 packs;

2 (3) have the ability to deliver prescribed blood products,3 medications and nursing services within three hours after receipt of a

4 prescription for an emergent situation, and maintain 24-hour on-call

5 service to accommodate this requirement;

6 (4) demonstrate experience with and knowledge of bleeding7 disorders and the management thereof;

8 (5) demonstrate the ability for appropriate and necessary record
9 keeping and documentation, including the ability to expedite product
10 recall or notification systems and the ability to assist covered persons
11 in obtaining third party reimbursement;

(6) provide for proper removal and disposal of hazardous wastepursuant to State and federal law;

(7) provide covered persons with a written copy of the agency's
policy regarding discontinuation of services related to loss of health
benefits plan coverage or inability to pay; and

(8) provide covered persons, upon request, with information about
the expected costs for medications and services provided by the
agency that are not otherwise covered by the health benefits plan.

The Department of Health and Senior Services is directed to compile a list of providers who comply with the minimum standards and make the list available to health insurance carriers and covered persons, upon request.

The bill also requires a health insurance carrier which offers a managed care plan to reimburse a clinical laboratory in a hospital with an outpatient, State-designated regional hemophilia center regardless of whether the clinical laboratory is a participating provider in the managed care plan, if the covered person is receiving treatment at the center and the attending physician determines that use of the hospital's clinical laboratory is necessary because:

(1) the results of laboratory tests are medically necessary
immediately or sooner than the normal return time for the carrier's
participating clinical laboratory; or

(2) accurate test results need to be determined by closely supervised
procedures in venipuncture and laboratory techniques in controlled
environments that cannot be achieved by the carrier's participating
clinical laboratory. The carrier shall reimburse the hospital's clinical
laboratory at the same rate it would reimburse a participating clinical
laboratory for comparable services.

Hemophilia is a complex, chronic illness with many life threatening events resulting in bleeds into major joints and organs, secondary complications of hepatitis and HIV/AIDS, and potential infections with emerging deadly viruses. It is imperative that home care providers serving hemophilia patients be both experienced and knowledgeable in this disorder, because a lack of such knowledge can result in harmful, permanent and possibly fatal consequences to the patient.

1 Some home care providers under contract with managed care 2 carriers to provide home-based services to persons with hemophilia are 3 unfamiliar with hemophilia care, needs and complications. These home 4 care providers can interfere with a patient's treatment regimen by 5 limiting the patient's choice of brand of blood product or by arbitrarily limiting or restricting the amount of clotting factor a patient is allowed 6 to store at home based on the home care provider's determination of 7 8 the patient's needs, rather than the attending physician's written 9 prescription. Also, some home care providers under contract with 10 managed care carriers do not provide ancillary supplies that are necessary for the infusion of the clotting factor, such as needles and 11 syringes, or preventative devices that are proven to be medically 12 necessary to lessen the severity of bleeds or to prevent bleeds from 13 14 occurring. Also, some home care providers cannot provide other 15 related assistance such as home infusion nursing care and other 16 medications related to hemophilia care and resulting complications. 17 The standards that will be established pursuant to this bill are 18 necessary to ensure that persons with hemophilia receive appropriate, medically necessary home care for treatment of their disorder. 19

STATEMENT TO

SENATE, No. 786

STATE OF NEW JERSEY

DATED: FEBRUARY 10, 2000

The Senate Health Committee reports favorably Senate Bill No. 786.

This bill supplements the "Health Care Quality Act" (N.J.S.A.26:2S-1 et seq.) to require commercial individual and group health insurers, health maintenance organizations and hospital, medical and health service corporations which offer a managed care plan that provides benefits for the home treatment of bleeding episodes associated with hemophilia, including the purchase of blood products and blood infusion equipment, to contract with, and exclusively use, providers that comply with standards adopted by the Department of Health and Senior Services in consultation with the Hemophilia Association of New Jersey.

At a minimum, the standards shall provide that a provider shall:

(1) provide services pursuant to a prescription from the covered person's attending physician and not make any substitutions of blood products without prior approval of the attending physician;

(2) provide all brands of clotting factor products in low, medium and high-assay range levels to execute treatment regimens as prescribed by a covered person's attending physician, and all needed ancillary supplies for the treatment or prevention of bleeding episodes, including, but not limited to, needles, syringes and cold compression packs;

(3) have the ability to deliver prescribed blood products, medications and nursing services within three hours after receipt of a prescription for an emergent situation, and maintain 24-hour on-call service to accommodate this requirement;

(4) demonstrate experience with and knowledge of bleeding disorders and the management thereof;

(5) demonstrate the ability for appropriate and necessary record keeping and documentation, including the ability to expedite product recall or notification systems and the ability to assist covered persons in obtaining third party reimbursement;

(6) provide for proper removal and disposal of hazardous waste pursuant to State and federal law;

(7) provide covered persons with a written copy of the agency's policy regarding discontinuation of services related to loss of health benefits plan coverage or inability to pay; and

(8) provide covered persons, upon request, with information about

the expected costs for medications and services provided by the agency that are not otherwise covered by the health benefits plan.

The Department of Health and Senior Services is directed to compile a list of providers who comply with the minimum standards and make the list available to health insurance carriers and covered persons, upon request.

The bill also requires a health insurance carrier which offers a managed care plan to reimburse a clinical laboratory in a hospital with an outpatient, State-designated regional hemophilia center regardless of whether the clinical laboratory is a participating provider in the managed care plan, if the covered person is receiving treatment at the center and the attending physician determines that use of the hospital's clinical laboratory is necessary because:

(1) the results of laboratory tests are medically necessary immediately or sooner than the normal return time for the carrier's participating clinical laboratory; or

(2) accurate test results need to be determined by closely supervised procedures in venipuncture and laboratory techniques in controlled environments that cannot be achieved by the carrier's participating clinical laboratory. The carrier shall reimburse the hospital's clinical laboratory at the same rate it would reimburse a participating clinical laboratory for comparable services.

Hemophilia is a complex, chronic illness with many lifethreatening events resulting in bleeds into major joints and organs, secondary complications of hepatitis and HIV/AIDS, and potential infections with emerging deadly viruses. It is imperative that home care providers serving hemophilia patients be both experienced and knowledgeable in this disorder, because a lack of such knowledge can result in harmful, permanent and possibly fatal consequences to the patient.

Some home care providers under contract with managed care carriers to provide home-based services to persons with hemophilia are unfamiliar with hemophilia care, needs and complications. These home care providers can interfere with a patient's treatment regimen by limiting the patient's choice of brand of blood product or by arbitrarily limiting or restricting the amount of clotting factor a patient is allowed to store at home based on the home care provider's determination of the patient's needs, rather than the attending physician's written prescription. Also, some home care providers under contract with managed care carriers do not provide ancillary supplies that are necessary for the infusion of the clotting factor, such as needles and syringes, or preventative devices that are proven to be medically necessary to lessen the severity of bleeds or to prevent bleeds from occurring. Also, some home care providers cannot provide other related assistance such as home infusion nursing care and other medications related to hemophilia care and resulting complications.

The standards that will be established pursuant to this bill are necessary to ensure that persons with hemophilia receive appropriate, medically necessary home care for treatment of their disorder.

STATEMENT TO

SENATE, No. 786

STATE OF NEW JERSEY

DATED: MARCH 2, 2000

The Assembly Banking and Insurance Committee reports favorably Senate Bill No. 786.

This bill supplements the "Health Care Quality Act" (N.J.S.A.26:2S-1 et seq.) to require commercial individual and group health insurers, health maintenance organizations and hospital, medical and health service corporations which offer a managed care plan that provides benefits for the home treatment of bleeding episodes associated with hemophilia, including the purchase of blood products and blood infusion equipment, to contract with, and exclusively use, providers that comply with standards adopted by the Department of Health and Senior Services in consultation with the Hemophilia Association of New Jersey.

At a minimum, the standards shall provide that a provider shall:

(1) provide services pursuant to a prescription from the covered person's attending physician and not make any substitutions of blood products without prior approval of the attending physician;

(2) provide all brands of clotting factor products in low, medium and high-assay range levels to execute treatment regimens as prescribed by a covered person's attending physician, and all needed ancillary supplies for the treatment or prevention of bleeding episodes, including, but not limited to, needles, syringes and cold compression packs;

(3) have the ability to deliver prescribed blood products, medications and nursing services within three hours after receipt of a prescription for an emergent situation, and maintain 24-hour on-call service to accommodate this requirement;

(4) demonstrate experience with and knowledge of bleeding disorders and the management thereof;

(5) demonstrate the ability for appropriate and necessary record keeping and documentation, including the ability to expedite product recall or notification systems and the ability to assist covered persons in obtaining third party reimbursement;

(6) provide for proper removal and disposal of hazardous waste pursuant to State and federal law;

(7) provide covered persons with a written copy of the agency's policy regarding discontinuation of services related to loss of health

benefits plan coverage or inability to pay; and

(8) provide covered persons, upon request, with information about the expected costs for medications and services provided by the agency that are not otherwise covered by the health benefits plan.

The Department of Health and Senior Services is directed to compile a list of providers who comply with the minimum standards and make the list available to health insurance carriers and covered persons, upon request.

The bill also requires a health insurance carrier which offers a managed care plan to reimburse a clinical laboratory in a hospital with an outpatient, State-designated regional hemophilia center regardless of whether the clinical laboratory is a participating provider in the managed care plan, if the covered person is receiving treatment at the center and the attending physician determines that use of the hospital's clinical laboratory is necessary because:

(1) the results of laboratory tests are medically necessary immediately or sooner than the normal return time for the carrier's participating clinical laboratory; or

(2) accurate test results need to be determined by closely supervised procedures in venipuncture and laboratory techniques in controlled environments that cannot be achieved by the carrier's participating clinical laboratory. The carrier shall reimburse the hospital's clinical laboratory at the same rate it would reimburse a participating clinical laboratory for comparable services.

The standards that will be established pursuant to this bill will ensure that persons with hemophilia receive appropriate, medically necessary home care for treatment of their disorder.

As reported by the committee, this bill is identical to Assembly Bill No. 2120.

[First Reprint] SENATE, No. 786 ______ STATE OF NEW JERSEY 209th LEGISLATURE

INTRODUCED JANUARY 31, 2000

Sponsored by: Senator JACK SINAGRA District 18 (Middlesex)

Co-Sponsored by: Assemblymen Bateman and Cohen

SYNOPSIS

Requires managed care plans to contract with providers that meet certain standards when providing services for hemophiliacs.

CURRENT VERSION OF TEXT

As amended by the General Assembly on March 27, 2000.



(Sponsorship Updated As Of: 3/28/2000)

AN ACT concerning health care coverage for treatment of hemophilia,
 supplementing P.L.1997, c.192 (C.26:2S-1 et seq.) and revising
 parts of statutory law.

4 5

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

6 7

8 1. A carrier which offers a managed care plan that provides 9 benefits or health care services, as applicable, for the home treatment 10 of bleeding episodes associated with hemophilia, including the 11 purchase of blood products and blood infusion equipment, shall 12 comply with the provisions of this section.

a. For the purpose of providing home treatment services for bleeding episodes associated with hemophilia, the carrier shall be required to contract with, and exclusively use, providers that comply with standards adopted by regulation of the Department of Health and Senior Services in consultation with the Hemophilia Association of New Jersey. At a minimum, the standards shall require that each provider:

(1) provide services pursuant to a prescription from the covered
person's attending physician and not make any substitutions of blood
products without prior approval of the attending physician;

(2) provide all brands of clotting factor products in low, medium
and high-assay range levels to execute treatment regimens as
prescribed by a covered person's attending physician, and all needed
ancillary supplies for the treatment or prevention of bleeding episodes,
including, but not limited to, needles, syringes and cold compression
packs;

(3) have the ability to deliver prescribed blood products,
medications and nursing services within three hours after receipt of a
prescription for an emergent situation, and maintain 24-hour on-call
service to accommodate this requirement;

33 (4) demonstrate experience with and knowledge of bleeding34 disorders and the management thereof;

(5) demonstrate the ability for appropriate and necessary record
keeping and documentation, including the ability to expedite product
recall or notification systems and the ability to assist covered persons
in obtaining third party reimbursement;

39 (6) provide for proper removal and disposal of hazardous waste40 pursuant to State and federal law;

41 (7) provide covered persons with a written copy of the agency's42 policy regarding discontinuation of services related to loss of health

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.

Matter enclosed in superscript numerals has been adopted as follows:

Matter underlined thus is new matter.

¹ Assembly floor amendments adopted March 27, 2000.

1 benefits plan coverage or inability to pay; and 2 (8) provide covered persons, upon request, with information about 3 the expected costs for medications and services provided by the 4 agency that are not otherwise covered by the covered person's health benefits plan. 5 6 b. The Department of Health and Senior Services shall compile a list of providers who meet the minimum standards established pursuant 7 to this section and shall make the list available to carriers and covered 8 9 persons, upon request. 10 c. As used in this section: "blood product" includes, but is not limited to, Factor VIII, Factor IX and cryoprecipitate; and "blood 11 infusion equipment" includes, but is not limited to, syringes and 12 needles. 13 14 15 2. A carrier which offers a managed care plan shall provide payment for services to the clinical laboratory at a hospital with a 16 17 State-designated outpatient regional hemophilia care center regardless of whether the hospital's clinical laboratory is a participating provider 18 in the managed care plan, if the covered person's attending physician 19 20 determines that use of the hospital's clinical laboratory is necessary 21 because: 22 a. the results of laboratory tests are medically necessary 23 immediately or sooner than the normal return time for the carrier's participating clinical laboratory; or 24 b. accurate test results need to be determined by closely supervised 25 26 procedures in venipuncture and laboratory techniques in controlled 27 environments that cannot be achieved by the carrier's participating 28 clinical laboratory. 29 The carrier shall pay the hospital's clinical laboratory for the 30 laboratory services at the same rate it would pay a participating 31 clinical laboratory for comparable services. 32 ¹<u>The carrier shall retain the right to review all services provided</u> pursuant to this section for medical necessity.¹ 33 34 35 3. Notwithstanding the provisions of chapter 26 of Title 17B of the New Jersey Statutes to the contrary, no policy shall be delivered, 36 issued, executed or renewed on or after the effective date of P.L., c. 37 38 (C.)(pending before the Legislature as this bill) unless the policy meets the requirements of sections 1 and 2 of P.L., c. (C. 39) 40 (pending before the Legislature as this bill) and the regulations 41 adopted thereto. The provisions of this section shall apply to all policies in which the insurer has reserved the right to change the 42 43 premium. 44 45 4. Notwithstanding the provisions of chapter 27 of Title 17B of the 46 New Jersey Statutes to the contrary, no policy shall be delivered,

1 issued, executed or renewed on or after the effective date of P.L., c. 2)(pending before the Legislature as this bill) unless the policy (C. 3 meets the requirements of sections 1 and 2 of P.L. , c. 4 (C.)(pending before the Legislature as this bill) and the regulations 5 adopted thereto. The provisions of this section shall apply to all policies in which the insurer has reserved the right to change the 6 7 premium.

8

9 5. Notwithstanding the provisions of P.L.1992, c.162 10 (C.17B:27A-17 et seq.) to the contrary, no policy or contract shall be 11 delivered, issued, executed or renewed on or after the effective date of P.L., c. (C.)(pending before the Legislature as this bill) unless 12 13 the policy or contract meets the requirements of sections 1 and 2 of 14 P.L., c. (C.)(pending before the Legislature as this bill) and the 15 regulations adopted thereto. The provisions of this section shall apply to all policies or contracts in which the carrier has reserved the right 16 17 to change the premium.

18

19 Notwithstanding the provisions of P.L.1992, c.161 6. 20 (C.17B:27A-2 et seq.) to the contrary, no policy or contract shall be delivered, issued, executed or renewed on or after the effective date 21 22 of P.L., c. (C.)(pending before the Legislature as this bill) unless 23 the policy or contract meets the requirements of sections 1 and 2 of 24 P.L., c. (C.)(pending before the Legislature as this bill) and the regulations adopted thereto. The provisions of this section shall apply 25 26 to all policies or contracts in which the carrier has reserved the right 27 to change the premium.

28

29 7. Notwithstanding the provisions of P.L.1938, c.366 (C.17:48-1 30 et seq.) to the contrary, no individual or group contract shall be 31 delivered, issued, executed or renewed on or after the effective date 32 of P.L., c. (C.)(pending before the Legislature as this bill) unless 33 the contract meets the requirements of sections 1 and 2 of P.L., c. 34)(pending before the Legislature as this bill) and the regulations (C. 35 adopted thereto. The provisions of this section shall apply to all contracts in which the hospital service corporation has reserved the 36 37 right to change the premium.

38

39 8. Notwithstanding the provisions of P.L.1940, c.74 (C.17:48A-1 et seq.) to the contrary, no individual or group contract shall be 40 41 delivered, issued, executed or renewed on or after the effective date 42 of P.L., c. (C.)(pending before the Legislature as this bill) 43 unless the contract meets the requirements of sections 1 and 2 of 44)(pending before the Legislature as this bill) and the P.L., c. (C. 45 regulations adopted thereto. The provisions of this section shall apply 46 to all contracts in which the medical service corporation has reserved 47 the right to change the premium.

9. Notwithstanding the provisions of P.L.1985, c.236 (C.17:48E-1 1 2 et seq.) to the contrary, no individual or group contract shall be 3 delivered, issued, executed or renewed on or after the effective date 4 of P.L., c. (C.)(pending before the Legislature as this bill) unless the contract meets the requirements of sections 1 and 2 of P.L., c. 5)(pending before the Legislature as this bill) and the regulations 6 (C. adopted thereto. The provisions of this section shall apply to all 7 8 contracts in which the health service corporation has reserved the right 9 to change the premium.

10

10. Notwithstanding the provisions of P.L.1973, c.337 (C.26:2J-1 11 et seq.) to the contrary, a certificate of authority to establish and 12 operate a health maintenance organization in this State shall not be 13 issued or continued on or after the effective date of P.L., c. (C. 14) 15 (pending before the Legislature as this bill) unless the health maintenance organization meets the requirements of sections 1 and 2 16 17 of P.L., c. (C.) (pending before the Legislature as this bill) and the regulations adopted thereto. The provisions of this section shall 18 apply to all enrollee agreements in which the health maintenance 19 20 organization has reserved the right to change the schedule of charges. 21

11. The Department of Health and Senior Services, pursuant to the
"Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
seq.), shall adopt regulations to carry out the provisions of sections 1
and 2 of this act.

26

27 12. This act shall take effect immediately.

STATEMENT TO

SENATE, No. 786

with Assembly Floor Amendments (Proposed By Assemblyman BATEMAN)

ADOPTED: MARCH 27, 2000

Senate Bill No. 786 requires a health insurance carrier to reimburse a clinical laboratory in a hospital with an outpatient, State-designated regional hemophilia center regardless of whether the clinical laboratory is a participating provider in the managed care plan, if the covered person is receiving treatment at the center and the attending physician determines that use of the hospital's clinical laboratory is necessary in certain circumstances as enumerated in the bill.

This floor amendment provides that the carrier shall retain the right to review services performed at a hospital clinical laboratory pursuant to the provisions of the bill for medical necessity.

§§1,2,11-C.26:2S-10.1 to 26:2S-10.3 §3 - C.17B:26-2.1t §4 - C.17B:27-46.1w §5 - C.17B:27A-19.8 §6 - C.17B:27A-7.6 §7 - C.17:48-6w §8 - C.17:48A-7v §9 - C.17:48E-35.21 §10 - C.26:2J-4.22

P.L. 2000, CHAPTER 121, approved September 14, 2000 Senate, No. 786 (First Reprint)

1 AN ACT concerning health care coverage for treatment of hemophilia, 2 supplementing P.L.1997, c.192 (C.26:2S-1 et seq.) and revising 3 parts of statutory law. 4 5 **BE IT ENACTED** by the Senate and General Assembly of the State 6 of New Jersey: 7 8 1. A carrier which offers a managed care plan that provides 9 benefits or health care services, as applicable, for the home treatment 10 of bleeding episodes associated with hemophilia, including the purchase of blood products and blood infusion equipment, shall 11 12 comply with the provisions of this section. 13 a. For the purpose of providing home treatment services for 14 bleeding episodes associated with hemophilia, the carrier shall be required to contract with, and exclusively use, providers that comply 15 16 with standards adopted by regulation of the Department of Health and 17 Senior Services in consultation with the Hemophilia Association of 18 New Jersey. At a minimum, the standards shall require that each 19 provider: 20 (1) provide services pursuant to a prescription from the covered person's attending physician and not make any substitutions of blood 21 22 products without prior approval of the attending physician; (2) provide all brands of clotting factor products in low, medium 23 24 and high-assay range levels to execute treatment regimens as 25 prescribed by a covered person's attending physician, and all needed ancillary supplies for the treatment or prevention of bleeding episodes, 26 27 including, but not limited to, needles, syringes and cold compression 28 packs; 29 (3) have the ability to deliver prescribed blood products, 30 medications and nursing services within three hours after receipt of a 31 prescription for an emergent situation, and maintain 24-hour on-call 32 service to accommodate this requirement;

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not

enacted and intended to be omitted in the law.

Matter enclosed in superscript numerals has been adopted as follows:

Matter underlined <u>thus</u> is new matter.

¹ Assembly floor amendments adopted March 27, 2000.

(4) demonstrate experience with and knowledge of bleeding
 2 disorders and the management thereof;

3 (5) demonstrate the ability for appropriate and necessary record
4 keeping and documentation, including the ability to expedite product
5 recall or notification systems and the ability to assist covered persons
6 in obtaining third party reimbursement;

7 (6) provide for proper removal and disposal of hazardous waste8 pursuant to State and federal law;

9 (7) provide covered persons with a written copy of the agency's 10 policy regarding discontinuation of services related to loss of health 11 benefits plan coverage or inability to pay; and

(8) provide covered persons, upon request, with information about
the expected costs for medications and services provided by the
agency that are not otherwise covered by the covered person's health
benefits plan.

b. The Department of Health and Senior Services shall compile a
list of providers who meet the minimum standards established pursuant
to this section and shall make the list available to carriers and covered
persons, upon request.

c. As used in this section: "blood product" includes, but is not
limited to, Factor VIII, Factor IX and cryoprecipitate; and "blood
infusion equipment" includes, but is not limited to, syringes and
needles.

24

2. A carrier which offers a managed care plan shall provide
payment for services to the clinical laboratory at a hospital with a
State-designated outpatient regional hemophilia care center regardless
of whether the hospital's clinical laboratory is a participating provider
in the managed care plan, if the covered person's attending physician
determines that use of the hospital's clinical laboratory is necessary
because:

a. the results of laboratory tests are medically necessary
immediately or sooner than the normal return time for the carrier's
participating clinical laboratory; or

b. accurate test results need to be determined by closely supervised
procedures in venipuncture and laboratory techniques in controlled
environments that cannot be achieved by the carrier's participating
clinical laboratory.

The carrier shall pay the hospital's clinical laboratory for the
laboratory services at the same rate it would pay a participating
clinical laboratory for comparable services.

¹<u>The carrier shall retain the right to review all services provided</u>
pursuant to this section for medical necessity.¹

44

45 3. Notwithstanding the provisions of chapter 26 of Title 17B of the

46 New Jersey Statutes to the contrary, no policy shall be delivered,

1 issued, executed or renewed on or after the effective date of P.L., c. 2)(pending before the Legislature as this bill) unless the policy (C. meets the requirements of sections 1 and 2 of P.L., c. (C. 3) 4 (pending before the Legislature as this bill) and the regulations 5 adopted thereto. The provisions of this section shall apply to all policies in which the insurer has reserved the right to change the 6 7 premium.

8

9 4. Notwithstanding the provisions of chapter 27 of Title 17B of the New Jersey Statutes to the contrary, no policy shall be delivered, 10 issued, executed or renewed on or after the effective date of P.L., c. 11 12 (C.)(pending before the Legislature as this bill) unless the policy 13 meets the requirements of sections 1 and 2 of P.L. , c. 14)(pending before the Legislature as this bill) and the regulations (C. 15 adopted thereto. The provisions of this section shall apply to all policies in which the insurer has reserved the right to change the 16 premium. 17

18

Notwithstanding the provisions of P.L.1992, c.162 19 5. 20 (C.17B:27A-17 et seq.) to the contrary, no policy or contract shall be delivered, issued, executed or renewed on or after the effective date 21 22 of P.L., c. (C.)(pending before the Legislature as this bill) unless the policy or contract meets the requirements of sections 1 and 2 of 23 24 P.L., c. (C.)(pending before the Legislature as this bill) and the 25 regulations adopted thereto. The provisions of this section shall apply to all policies or contracts in which the carrier has reserved the right 26 27 to change the premium.

28

Notwithstanding the provisions of P.L.1992, c.161 29 6. 30 (C.17B:27A-2 et seq.) to the contrary, no policy or contract shall be 31 delivered, issued, executed or renewed on or after the effective date 32 of P.L., c. (C.)(pending before the Legislature as this bill) unless the policy or contract meets the requirements of sections 1 and 2 of 33 34 P.L., c. (C.)(pending before the Legislature as this bill) and the 35 regulations adopted thereto. The provisions of this section shall apply to all policies or contracts in which the carrier has reserved the right 36 37 to change the premium.

38

39 7. Notwithstanding the provisions of P.L.1938, c.366 (C.17:48-1 et seq.) to the contrary, no individual or group contract shall be 40 delivered, issued, executed or renewed on or after the effective date 41 42 of P.L., c. (C.)(pending before the Legislature as this bill) unless 43 the contract meets the requirements of sections 1 and 2 of P.L., c. 44)(pending before the Legislature as this bill) and the regulations (C. adopted thereto. The provisions of this section shall apply to all 45 contracts in which the hospital service corporation has reserved the 46 47 right to change the premium.

1 8. Notwithstanding the provisions of P.L.1940, c.74 (C.17:48A-1 2 et seq.) to the contrary, no individual or group contract shall be 3 delivered, issued, executed or renewed on or after the effective date 4 of P.L., c. (C.)(pending before the Legislature as this bill) 5 unless the contract meets the requirements of sections 1 and 2 of)(pending before the Legislature as this bill) and the 6 P.L., c. (C. regulations adopted thereto. The provisions of this section shall apply 7 8 to all contracts in which the medical service corporation has reserved 9 the right to change the premium.

10

11 9. Notwithstanding the provisions of P.L.1985, c.236 (C.17:48E-1 12 et seq.) to the contrary, no individual or group contract shall be 13 delivered, issued, executed or renewed on or after the effective date 14 of P.L., c. (C.)(pending before the Legislature as this bill) unless 15 the contract meets the requirements of sections 1 and 2 of P.L., c. (C.)(pending before the Legislature as this bill) and the regulations 16 17 adopted thereto. The provisions of this section shall apply to all contracts in which the health service corporation has reserved the right 18 19 to change the premium.

20

21 10. Notwithstanding the provisions of P.L.1973, c.337 (C.26:2J-1 22 et seq.) to the contrary, a certificate of authority to establish and 23 operate a health maintenance organization in this State shall not be issued or continued on or after the effective date of P.L., c. (C. 24) (pending before the Legislature as this bill) unless the health 25 26 maintenance organization meets the requirements of sections 1 and 2 27 of P.L., c. (C.) (pending before the Legislature as this bill) and 28 the regulations adopted thereto. The provisions of this section shall 29 apply to all enrollee agreements in which the health maintenance organization has reserved the right to change the schedule of charges. 30 31

11. The Department of Health and Senior Services, pursuant to the
"Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
seq.), shall adopt regulations to carry out the provisions of sections 1
and 2 of this act.

36

37 12. This act shall take effect immediately.

- 38
- 39
- 40
- 41

42 Requires managed care plans to contract with providers that meet

43 certain standards when providing services for hemophiliacs.

CHAPTER 121

AN ACT concerning health care coverage for treatment of hemophilia, supplementing P.L.1997, c.192 (C.26:2S-1 et seq.) and revising parts of statutory law.

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

C.26:2S-10.1 Home treatment for bleeding episodes associated with hemophilia, required coverage.

1. A carrier which offers a managed care plan that provides benefits or health care services, as applicable, for the home treatment of bleeding episodes associated with hemophilia, including the purchase of blood products and blood infusion equipment, shall comply with the provisions of this section.

a. For the purpose of providing home treatment services for bleeding episodes associated with hemophilia, the carrier shall be required to contract with, and exclusively use, providers that comply with standards adopted by regulation of the Department of Health and Senior Services in consultation with the Hemophilia Association of New Jersey. At a minimum, the standards shall require that each provider:

(1) provide services pursuant to a prescription from the covered person's attending physician and not make any substitutions of blood products without prior approval of the attending physician;

(2) provide all brands of clotting factor products in low, medium and high-assay range levels to execute treatment regimens as prescribed by a covered person's attending physician, and all needed ancillary supplies for the treatment or prevention of bleeding episodes, including, but not limited to, needles, syringes and cold compression packs;

(3) have the ability to deliver prescribed blood products, medications and nursing services within three hours after receipt of a prescription for an emergent situation, and maintain 24-hour on-call service to accommodate this requirement;

(4) demonstrate experience with and knowledge of bleeding disorders and the management thereof;

(5) demonstrate the ability for appropriate and necessary record keeping and documentation, including the ability to expedite product recall or notification systems and the ability to assist covered persons in obtaining third party reimbursement;

(6) provide for proper removal and disposal of hazardous waste pursuant to State and federal law;

(7) provide covered persons with a written copy of the agency's policy regarding discontinuation of services related to loss of health benefits plan coverage or inability to pay; and

(8) provide covered persons, upon request, with information about the expected costs for medications and services provided by the agency that are not otherwise covered by the covered person's health benefits plan.

b. The Department of Health and Senior Services shall compile a list of providers who meet the minimum standards established pursuant to this section and shall make the list available to carriers and covered persons, upon request.

c. As used in this section: "blood product" includes, but is not limited to, Factor VIII, Factor IX and cryoprecipitate; and "blood infusion equipment" includes, but is not limited to, syringes and needles.

C.26:2S-10.2 Clinical laboratory services at outpatient regional hemophilia care center, required coverage.

2. A carrier which offers a managed care plan shall provide payment for services to the clinical laboratory at a hospital with a State-designated outpatient regional hemophilia care center regardless of whether the hospital's clinical laboratory is a participating provider in the managed care plan, if the covered person's attending physician determines that use of the hospital's clinical laboratory is necessary because:

a. the results of laboratory tests are medically necessary immediately or sooner than the normal return time for the carrier's participating clinical laboratory; or

b. accurate test results need to be determined by closely supervised procedures in venipuncture and laboratory techniques in controlled environments that cannot be achieved by the carrier's participating clinical laboratory.

The carrier shall pay the hospital's clinical laboratory for the laboratory services at the same rate it would pay a participating clinical laboratory for comparable services.

The carrier shall retain the right to review all services provided pursuant to this section for medical necessity.

C.17B:26-2.1t Coverage for hemophilia by individual health insurers.

3. Notwithstanding the provisions of chapter 26 of Title 17B of the New Jersey Statutes to the contrary, no policy shall be delivered, issued, executed or renewed on or after the effective date of P.L.2000, c121 (C.26:2S-10.1 et al.) unless the policy meets the requirements of sections 1 and 2 of P.L.2000, c121 (C.26:2S-10.1 and C.26:2S-10.2) and the regulations adopted thereto. The provisions of this section shall apply to all policies in which the insurer has reserved the right to change the premium.

C.17B:27-46.1w Coverage for hemophilia services by group health insurers.

4. Notwithstanding the provisions of chapter 27 of Title 17B of the New Jersey Statutes to the contrary, no policy shall be delivered, issued, executed or renewed on or after the effective date of P.L.2000, c121 (C.26:2S-10.1 et al.) unless the policy meets the requirements of sections 1 and 2 of P.L.2000, c121 (C.26:2S-10.1 and C.26:2S-10.2) and the regulations adopted thereto. The provisions of this section shall apply to all policies in which the insurer has reserved the right to change the premium.

C.17B:27A-19.8 Coverage for hemophilia services by small employer plan.

5. Notwithstanding the provisions of P.L.1992, c.162 (C.17B:27A-17 et seq.) to the contrary, no policy or contract shall be delivered, issued, executed or renewed on or after the effective date of P.L.2000, c121 (C.26:2S-10.1 et al.) unless the policy or contract meets the requirements of sections 1 and 2 of P.L.2000, c121 (C.26:2S-10.1 and C.26:2S-10.2) and the regulations adopted thereto. The provisions of this section shall apply to all policies or contracts in which the carrier has reserved the right to change the premium.

C.17B:27A-7.6 Coverage for hemophilia services by individual health policy.

6. Notwithstanding the provisions of P.L.1992, c.161 (C.17B:27A-2 et seq.) to the contrary, no policy or contract shall be delivered, issued, executed or renewed on or after the effective date of P.L.2000, c121 (C.26:2S-10.1 et al.) unless the policy or contract meets the requirements of sections 1 and 2 of P.L.2000, c121 (C.26:2S-10.1 and C.26:2S-10.2) and the regulations adopted thereto. The provisions of this section shall apply to all policies or contracts in which the carrier has reserved the right to change the premium.

C.17B:48-6w Coverage for hemophilia services by hospital service corporations.

7. Notwithstanding the provisions of P.L.1938, c.366 (C.17:48-1 et seq.) to the contrary, no individual or group contract shall be delivered, issued, executed or renewed on or after the effective date of P.L.2000, c121 (C.26:2S-10.1 et al.) unless the contract meets the requirements of sections 1 and 2 of P.L.2000, c121 (C.26:2S-10.1 and C.26:2S-10.2) and the regulations adopted thereto. The provisions of this section shall apply to all contracts in which the hospital service corporation has reserved the right to change the premium.

C.17:48A-7v Coverage for hemophilia services by medical services corporation.

8. Notwithstanding the provisions of P.L.1940, c.74 (C.17:48A-1 et seq.) to the contrary, no individual or group contract shall be delivered, issued, executed or renewed on or after the effective date of P.L.2000, c121 (C.26:2S-10.1 et al.) unless the contract meets the requirements of sections 1 and 2 of P.L.2000, c121 (C.26:2S-10.1 and C.26:2S-10.2) and the regulations adopted thereto. The provisions of this section shall apply to all contracts in which the medical service corporation has reserved the right to change the premium.

C.17:48E-35.21 Coverage for hemophilia services by health service corporation.

9. Notwithstanding the provisions of P.L.1985, c.236 (C.17:48E-1 et seq.) to the contrary,

no individual or group contract shall be delivered, issued, executed or renewed on or after the effective date of P.L.2000, c121 (C.26:2S-10.1 et al.) unless the contract meets the requirements of sections 1 and 2 of P.L.2000, c121 (C.26:2S-10.1 and C.26:2S-10.2) and the regulations adopted thereto. The provisions of this section shall apply to all contracts in which the health service corporation has reserved the right to change the premium.

C.26:2J-4.22 Coverage for hemophilia services by HMO.

10. Notwithstanding the provisions of P.L.1973, c.337 (C.26:2J-1 et seq.) to the contrary, a certificate of authority to establish and operate a health maintenance organization in this State shall not be issued or continued on or after the effective date of P.L.2000, c121 (C.26:2S-10.1 et al.) unless the health maintenance organization meets the requirements of sections 1 and 2 of P.L.2000, c121 (C.26:2S-10.1 and C.26:2S-10.2) and the regulations adopted thereto. The provisions of this section shall apply to all enrollee agreements in which the health maintenance organization has reserved the right to change the schedule of charges.

C.26:2S-10.3 Regulations by department.

11. The Department of Health and Senior Services, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), shall adopt regulations to carry out the provisions of sections 1 and 2 of this act.

12. This act shall take effect immediately.

Approved September 14, 2000.

PO BOX 004 TRENTON, NJ 08625

Office of the Governor **NEWS RELEASE**

CONTACT: Jayne O'Connor Laura Otterbourg 609-777-2600

RELEASE: September 14, 2000

Governor Christie Whitman today signed the following legislation:

S-1302, sponsored by Senator Singer (R-Burlington/Monmouth/Ocean) and Assembly Members Malone (R-Burlington/Monmouth/Ocean) and Impreveduto (D-Bergen/Hudson), redirects money from one standardbred breeding fund to another standardbred account to encourage standardbred breeding in New Jersey.

S-982, sponsored by Senator Littell (R-Sussex/Hunterdon/Morris) and Assembly Members Gregg (R-Sussex/ Hunterdon/Morris) and Wolfe (R-Monmouth/Ocean), requires each public school to test for the presence of radon gas every five years and temporarily exempts certain childcare centers in public school buildings from radon testing and certain other requirements through the end of the 2000-2001 school year.

S-786, sponsored by Senator Sinagra (R-Middlesex) and Assembly Members Bateman (R-Morris/Somerset) and Cohen (D-Union), requires managed care plans to contract with providers that meet certain standards when providing services for hemophiliacs.

S-421, sponsored by Senators Bucco (R-Morris) and Singer (R-Burlington/Monmouth/Ocean) and Assembly Member Merkt (R-Morris), makes certain amendments to the law establishing the comprehensive enforcement program.