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|--|---|
| <b>SPONSORS STATEMENT:</b> (Begins on page 4 of original bill) | Yes   |
| <b>COMMITTEE STATEMENT:</b><br>2001(Health)                    | <b>ASSEMBLY:</b> Yes 6-4-<br><br>6-25-2001(Appropr) |
|  | Identical to Assembly Statements to S516            |
| <b>SENATE:</b>   | No  |
| <b>FLOOR AMENDMENT STATEMENTS:</b>                             | No  |
| <b>LEGISLATIVE FISCAL NOTE:</b>                                | Yes   |
| <b>VETO MESSAGE:</b>   | No  |
| <b>GOVERNOR'S PRESS RELEASE ON SIGNING:</b>                    | No  |

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|                            |    |
|----------------------------|----|
| <b>REPORTS:</b>            | No |
| <b>HEARINGS:</b>           | No |
| <b>NEWSPAPER ARTICLES:</b> | No |

**SENATE, No. 516**

**STATE OF NEW JERSEY**  
**209th LEGISLATURE**

PRE-FILED FOR INTRODUCTION IN THE 2000 SESSION

**Sponsored by:**

**Senator SHIRLEY K. TURNER**

**District 15 (Mercer)**

**SYNOPSIS**

Clarifies insurance coverage requirements for Pap smears under P.L.1995, c.415.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



S516 TURNER

2

1 AN ACT concerning health insurance benefits for Pap smears and  
2 amending P.L.1995, c.415.

3  
4 **BE IT ENACTED** by the Senate and General Assembly of the State  
5 of New Jersey:

6  
7 1. Section 1 of P.L.1995, c.415(C.17:48E-35.12) is amended to  
8 read as follows:

9 1. No health service corporation contract providing hospital or  
10 medical expense benefits for groups with greater than [49] 50 persons  
11 shall be delivered, issued, executed or renewed in this State, or  
12 approved for issuance or renewal in this State by the Commissioner of  
13 Banking and Insurance on or after the effective date of this act, unless  
14 the contract provides benefits to any named subscriber or other person  
15 covered thereunder for expenses incurred in conducting a Pap smear.  
16 The benefits shall be provided to the same extent as for any other  
17 medical condition under the contract.

18 As used in this section, and notwithstanding the provisions of this  
19 section to the contrary, "Pap smear" means an initial Pap smear and  
20 any confirmatory test when medically necessary and as ordered by the  
21 covered person's physician and includes all laboratory costs associated  
22 with the initial Pap smear and any such confirmatory test.

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

26 (cf: P.L.1995, c.415, s.1)

27

28 2. Section 2 of P.L.1995, c.415(C.17:48-6o) is amended to read as  
29 follows:

30 2. No hospital service corporation contract providing hospital or  
31 medical expense benefits for groups with greater than [49] 50 persons  
32 shall be delivered, issued, executed or renewed in this State, or  
33 approved for issuance or renewal in this State by the Commissioner of  
34 Banking and Insurance on or after the effective date of this act, unless  
35 the contract provides benefits to any named subscriber or other person  
36 covered thereunder for expenses incurred in conducting a Pap smear.  
37 The benefits shall be provided to the same extent as for any other  
38 medical condition under the contract.

39 As used in this section, and notwithstanding the provisions of this  
40 section to the contrary, "Pap smear" means an initial Pap smear and  
41 any confirmatory test when medically necessary and as ordered by the  
42 covered person's physician and includes all laboratory costs associated  
43 with the initial Pap smear and any such confirmatory test.

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

**Matter underlined thus is new matter.**

1 This section shall apply to all hospital service corporation contracts  
2 in which the hospital service corporation has reserved the right to  
3 change the premium.

4 (cf: P.L.1995, c.415, s.2)

5

6 3. Section 3 of P.L.1995, c.415(C.17:48A-7m) is amended to read  
7 as follows:

8 3. No medical service corporation contract providing hospital or  
9 medical expense benefits for groups with greater than [49] 50 persons  
10 shall be delivered, issued, executed or renewed in this State, or  
11 approved for issuance or renewal in this State by the Commissioner of  
12 Banking and Insurance on or after the effective date of this act, unless  
13 the contract provides benefits to any named subscriber or other person  
14 covered thereunder for expenses incurred in conducting a Pap smear.  
15 The benefits shall be provided to the same extent as for any other  
16 medical condition under the contract.

17 As used in this section, and notwithstanding the provisions of this  
18 section to the contrary, "Pap smear" means an initial Pap smear and  
19 any confirmatory test when medically necessary and as ordered by the  
20 covered person's physician and includes all laboratory costs associated  
21 with the initial Pap smear and any such confirmatory test.

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

25 (cf: P.L.1995, c.415, s.3)

26

27 4. Section 4 of P.L.1995, c.415(C.17B:27-46.1n) is amended to  
28 read as follows:

29 4. No group health insurance policy providing hospital or medical  
30 expense benefits for groups with greater than [49] 50 persons shall be  
31 delivered, issued, executed or renewed in this State, or approved for  
32 issuance or renewal in this State by the Commissioner of Banking and  
33 Insurance on or after the effective date of this act, unless the policy  
34 provides benefits to any named insured or other person covered  
35 thereunder for expenses incurred in conducting a Pap smear. The  
36 benefits shall be provided to the same extent as for any other medical  
37 condition under the policy.

38 As used in this section, and notwithstanding the provisions of this  
39 section to the contrary, "Pap smear" means an initial Pap smear and  
40 any confirmatory test when medically necessary and as ordered by the  
41 covered person's physician and includes all laboratory costs associated  
42 with the initial Pap smear and any such confirmatory test.

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

45 (cf: P.L.1995, c.415, s.4)

1 5. Section 5 of P.L.1995, c.415(C.26:2J-4.12) is amended to read  
2 as follows:

3 5. A certificate of authority to establish and operate a health  
4 maintenance organization in this State shall not be issued or continued  
5 by the Commissioner of Health and Senior Services on or after the  
6 effective date of this act unless the health maintenance organization  
7 offers health care services to any enrollee or other person covered  
8 thereunder which include a Pap smear. The health care services shall  
9 be provided to the same extent as for any other medical condition  
10 under the contract.

11 As used in this section, and notwithstanding the provisions of this  
12 section to the contrary, "Pap smear" means an initial Pap smear and  
13 any confirmatory test when medically necessary and as ordered by the  
14 covered person's physician and includes all laboratory costs associated  
15 with the initial Pap smear and any such confirmatory test.

16 The provisions of this section shall apply to all contracts for health  
17 care services by health maintenance organizations under which the  
18 right to change the schedule of charges for enrollee coverage is  
19 reserved.

20 (cf: P.L.1995, c.415, s.5)

21

22 6. This act shall take effect immediately.

23

24

25

#### STATEMENT

26

27 This bill clarifies the requirements of P.L.1995, c.415, which  
28 requires health insurers which cover groups of 51 or more persons and  
29 health maintenance organizations to provide benefits for Pap smears.  
30 This bill stipulates that the required health insurance coverage shall  
31 include coverage for any confirmatory test when medically necessary  
32 and as ordered by the woman's physician and all laboratory costs  
33 associated with the initial Pap smear and any such confirmatory test.  
34 The purpose of the bill is to assist those patients who have found that  
35 their health insurance benefits for Pap smears as mandated by State  
36 law did not fully cover all of the costs addressed by this bill.

# SENATE HEALTH COMMITTEE

## STATEMENT TO

### **SENATE, No. 516**

with committee amendments

# **STATE OF NEW JERSEY**

DATED: JUNE 19, 2000

The Senate Health Committee reports favorably and with committee amendments Senate Bill No. 516.

As amended by committee, this bill clarifies the requirements of P.L.1995, c.415, which requires health insurers which cover groups of 51 or more persons and health maintenance organizations to provide benefits for Pap smears. This bill stipulates that the required health insurance coverage shall include coverage for any confirmatory test when medically necessary and as ordered by the woman's physician and all laboratory costs associated with the initial Pap smear and any such confirmatory test. The purpose of the bill is to assist those patients who have found that their health insurance benefits for Pap smears as mandated by State law did not fully cover all of the costs addressed by this bill.

The bill also requires the State Health Benefits Commission to provide these same benefits to each person covered under the State Health Benefits Program.

The committee amended the bill to extend the requirement for coverage of benefits related to Pap smears to the State Health Benefits Commission to ensure that persons covered under the State Health Benefits Program are afforded the same coverage as those covered under commercial insurance plans.

As amended, this bill is identical to Assembly Bill No. 292 (Gill/Kelly), which is pending before the Assembly Health Committee.

This bill was prefiled for introduction in the 2000-2001 session pending technical review. As reported, the bill includes the changes required by technical review which has been performed.

[First Reprint]

**SENATE, No. 516**

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**STATE OF NEW JERSEY**  
**209th LEGISLATURE**

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PRE-FILED FOR INTRODUCTION IN THE 2000 SESSION

**Sponsored by:**

**Senator SHIRLEY K. TURNER**

**District 15 (Mercer)**

**Senator DIANE ALLEN**

**District 7 (Burlington and Camden)**

**Co-Sponsored by:**

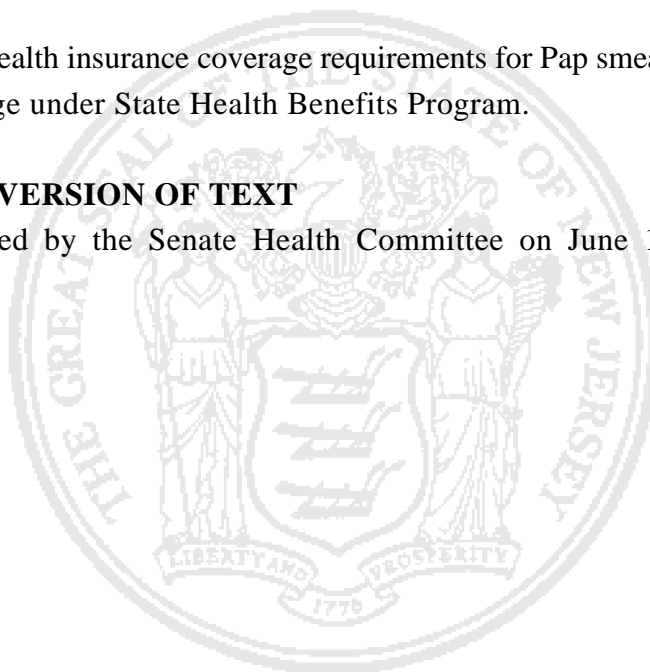
**Senator Palaia, Assemblywoman Gill, Assemblymen Kelly, DiGaetano, Senator O'Toole, Assemblywomen Watson Coleman, Weinberg, Assemblymen Gibson, Assemblymen Asselta, Azzolina, Blee, Conaway, Corodemus, Assemblywoman Crecco, Assemblymen Felice, Geist, Guear, Assemblywoman Heck, Assemblymen LeFevre, Thompson and Zecker**

**SYNOPSIS**

Clarifies health insurance coverage requirements for Pap smears and requires same coverage under State Health Benefits Program.

**CURRENT VERSION OF TEXT**

As reported by the Senate Health Committee on June 19, 2000, with amendments.



**(Sponsorship Updated As Of: 6/29/2001)**



1 AN ACT concerning health insurance benefits for Pap smears <sup>1</sup>[and],<sup>1</sup>  
2 amending P.L.1995, c.415 <sup>1</sup>and supplementing P.L.1961, c.49  
3 (C.52:14-17.25 et seq.)<sup>1</sup>.

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

7  
8 1. Section 1 of P.L.1995, c.415(C.17:48E-35.12) is amended to  
9 read as follows:

10 1. No health service corporation contract providing hospital or  
11 medical expense benefits for groups with greater than [49] 50 persons  
12 shall be delivered, issued, executed or renewed in this State, or  
13 approved for issuance or renewal in this State by the Commissioner of  
14 Banking and Insurance on or after the effective date of this act, unless  
15 the contract provides benefits to any named subscriber or other person  
16 covered thereunder for expenses incurred in conducting a Pap smear.  
17 The benefits shall be provided to the same extent as for any other  
18 medical condition under the contract.

19 As used in this section, and notwithstanding the provisions of this  
20 section to the contrary, "Pap smear" means an initial Pap smear and  
21 any confirmatory test when medically necessary and as ordered by the  
22 covered person's physician and includes all laboratory costs associated  
23 with the initial Pap smear and any such confirmatory test.

24 This section shall apply to all health service corporation contracts  
25 in which the health service corporation has reserved the right to  
26 change the premium.

27 (cf: P.L.1995, c.415, s.1)

28

29 2. Section 2 of P.L.1995, c.415(C.17:48-6o) is amended to read as  
30 follows:

31 2. No hospital service corporation contract providing hospital or  
32 medical expense benefits for groups with greater than [49] 50 persons  
33 shall be delivered, issued, executed or renewed in this State, or  
34 approved for issuance or renewal in this State by the Commissioner of  
35 Banking and Insurance on or after the effective date of this act, unless  
36 the contract provides benefits to any named subscriber or other person  
37 covered thereunder for expenses incurred in conducting a Pap smear.  
38 The benefits shall be provided to the same extent as for any other  
39 medical condition under the contract.

40 As used in this section, and notwithstanding the provisions of this  
41 section to the contrary, "Pap smear" means an initial Pap smear and

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup> Senate SHH committee amendments adopted June 19, 2000.

1 any confirmatory test when medically necessary and as ordered by the  
2 covered person's physician and includes all laboratory costs associated  
3 with the initial Pap smear and any such confirmatory test.

4 This section shall apply to all hospital service corporation contracts  
5 in which the hospital service corporation has reserved the right to  
6 change the premium.

7 (cf: P.L.1995, c.415, s.2)

8  
9 3. Section 3 of P.L.1995, c.415(C.17:48A-7m) is amended to read  
10 as follows:

11 3. No medical service corporation contract providing hospital or  
12 medical expense benefits for groups with greater than [49] 50 persons  
13 shall be delivered, issued, executed or renewed in this State, or  
14 approved for issuance or renewal in this State by the Commissioner of  
15 Banking and Insurance on or after the effective date of this act, unless  
16 the contract provides benefits to any named subscriber or other person  
17 covered thereunder for expenses incurred in conducting a Pap smear.  
18 The benefits shall be provided to the same extent as for any other  
19 medical condition under the contract.

20 As used in this section, and notwithstanding the provisions of this  
21 section to the contrary, "Pap smear" means an initial Pap smear and  
22 any confirmatory test when medically necessary and as ordered by the  
23 covered person's physician and includes all laboratory costs associated  
24 with the initial Pap smear and any such confirmatory test.

25 This section shall apply to all medical service corporation contracts  
26 in which the medical service corporation has reserved the right to  
27 change the premium.

28 (cf: P.L.1995, c.415, s.3)

29  
30 4. Section 4 of P.L.1995, c.415(C.17B:27-46.1n) is amended to  
31 read as follows:

32 4. No group health insurance policy providing hospital or medical  
33 expense benefits for groups with greater than [49] 50 persons shall be  
34 delivered, issued, executed or renewed in this State, or approved for  
35 issuance or renewal in this State by the Commissioner of Banking and  
36 Insurance on or after the effective date of this act, unless the policy  
37 provides benefits to any named insured or other person covered  
38 thereunder for expenses incurred in conducting a Pap smear. The  
39 benefits shall be provided to the same extent as for any other medical  
40 condition under the policy.

41 As used in this section, and notwithstanding the provisions of this  
42 section to the contrary, "Pap smear" means an initial Pap smear and  
43 any confirmatory test when medically necessary and as ordered by the  
44 covered person's physician and includes all laboratory costs associated  
45 with the initial Pap smear and any such confirmatory test.

46 This section shall apply to all group health insurance policies in

1 which the health insurer has reserved the right to change the premium.  
2 (cf: P.L.1995, c.415, s.4)

3

4 5. Section 5 of P.L.1995, c.415(C.26:2J-4.12) is amended to read  
5 as follows:

6 5. A certificate of authority to establish and operate a health  
7 maintenance organization in this State shall not be issued or continued  
8 by the Commissioner of Health and Senior Services on or after the  
9 effective date of this act unless the health maintenance organization  
10 offers health care services to any enrollee or other person covered  
11 thereunder which include a Pap smear. The health care services shall  
12 be provided to the same extent as for any other medical condition  
13 under the contract.

14 As used in this section, and notwithstanding the provisions of this  
15 section to the contrary, "Pap smear" means an initial Pap smear and  
16 any confirmatory test when medically necessary and as ordered by the  
17 covered person's physician and includes all laboratory costs associated  
18 with the initial Pap smear and any such confirmatory test.

19 The provisions of this section shall apply to all contracts for health  
20 care services by health maintenance organizations under which the  
21 right to change the schedule of charges for enrollee coverage is  
22 reserved.

23 (cf: P.L.1995, c.415, s.5)

24

25 <sup>1</sup>6. (New section) The State Health Benefits Commission shall  
26 provide benefits to each person covered under the State Health  
27 Benefits Program for expenses incurred in conducting a Pap smear.  
28 The benefits shall be provided to the same extent as for any other  
29 medical condition under the contract.

30 As used in this section, and notwithstanding the provisions of this  
31 section to the contrary, "Pap smear" means an initial Pap smear and  
32 any confirmatory test when medically necessary and as ordered by the  
33 covered person's physician and includes all laboratory costs associated  
34 with the initial Pap smear and any such confirmatory test.<sup>1</sup>

35

36 <sup>1</sup>[6.] 7.<sup>1</sup> This act shall take effect immediately.

ASSEMBLY HEALTH COMMITTEE

STATEMENT TO

[First Reprint]

**SENATE, No. 516**

**STATE OF NEW JERSEY**

DATED: JUNE 4, 2001

The Assembly Health Committee reports favorably Senate Bill No. 516 (1R).

This bill clarifies the requirements of P.L.1995, c.415, which requires health insurers that cover groups of 51 or more persons and health maintenance organizations to provide benefits for Pap smears. The bill stipulates that the required health insurance coverage shall include coverage for any confirmatory test when medically necessary and as ordered by the woman's physician and all laboratory costs associated with the initial Pap smear and any such confirmatory test. The purpose of the bill is to assist those patients who have found that their health insurance benefits for Pap smears as mandated by State law did not fully cover all of the costs addressed by this bill.

The bill also extends the requirement for coverage of benefits related to Pap smears to the State Health Benefits Commission in order to ensure that persons covered under the State Health Benefits Program are afforded the same coverage as those covered under commercial insurance plans.

This bill is identical to Assembly Bill No. 292 (Gill/Kelly), which the committee also reported on this date.

# ASSEMBLY APPROPRIATIONS COMMITTEE

## STATEMENT TO

[First Reprint]

**SENATE, No. 516**

# **STATE OF NEW JERSEY**

DATED: JUNE 25, 2001

The Assembly Appropriations Committee reports favorably Senate Bill No. 516 (1R).

Senate Bill No. 516 (1R) clarifies the requirements of P.L.1995, c.415, which requires health insurers that cover groups of 51 or more persons and health maintenance organizations to provide benefits for Pap smears. The bill stipulates that the required health insurance coverage shall include coverage for any confirmatory test when medically necessary and as ordered by the woman's physician and all laboratory costs associated with the initial Pap smear and any such confirmatory test. The purpose of the bill is to assist those patients who have found that their health insurance benefits for Pap smears as mandated by State law did not fully cover all of the costs addressed by this bill.

The bill also extends the requirement for coverage of benefits related to Pap smears to the State Health Benefits Commission in order to ensure that persons covered under the State Health Benefits Program are afforded the same coverage as those covered under commercial insurance plans.

This bill as reported by the committee is identical to Assembly Bill No. 292, as also reported on this date.

### FISCAL IMPACT:

This legislation produces additional expenses to the Traditional Plan option in SHBP, because the plan does not cover preventive or well care visits to a physician. The plan does cover expenses associated with treatment if a Pap smear reveals a problem. Currently, then, the Traditional Plan does cover any confirmatory tests when medically necessary, as required by the legislation. NJ PLUS and SHBP's participating HMOs provide coverage which includes well care and preventive services. The in-network expenses incurred in conducting a Pap smear and any confirmatory tests are covered by those SHBP managed care options.

The Division of Pensions and Benefits estimates a 0.7% increase in claims with a \$1.6 million State cost and \$4.9 million local cost.

**FISCAL NOTE**  
[First Reprint]  
**SENATE, No. 516**  
**STATE OF NEW JERSEY**  
**209th LEGISLATURE**

DATED: JULY 18, 2001

**SUMMARY**

**Synopsis:** Clarifies health insurance coverage requirements for Pap smears and requires same coverage under State Health Benefits Program.

**Type of Impact:** Increase in annual expenditures, State General Fund and local government employers

**Agencies Affected:** Department of Treasury; local government employers

**Executive Estimate (in thousands)**

| <b>Fiscal Impact</b> | <b>Year 1</b> | <b>Year 2</b> | <b>Year 3</b> |
|----------------------|---------------|---------------|---------------|
| <b>State Cost</b>    | \$1,560       | \$1,716       | \$1,888       |
| <b>Local Cost</b>    | \$4,922       | \$5,414       | \$5,955       |

- ! The Office of Legislative Services **concurs** with the Executive estimate.
- ! Clarifies that the currently required coverage of expenses incurred in conducting a Pap smear by commercial insurers includes coverage for any confirmatory test when medically necessary.
- ! Extends the requirement for coverage of benefits related to Pap smears to the State Health Benefits Program (SHBP) to produce additional expenses in the Traditional Plan option.
- ! The Division of Pensions and Benefits estimates that State expenditures will increase by \$1.6 million and that local expenditures for SHBP will increase by \$4.9 million in the first year of implementation.

**BILL DESCRIPTION**

Senate Bill No. 516 (1R) of 2000 clarifies that the currently required coverage of expenses incurred in conducting a Pap smear includes coverage for any confirmatory test when medically necessary and as ordered by the woman's physician as well as all laboratory costs associated with the initial Pap smear and any such confirmatory test.

In addition, the bill extends the requirement for coverage of these benefits related to Pap smears to the State Health Benefits Program (SHBP) to assure the same coverage for public employees as for those covered under commercial insurance plans. P.L.1995, c.415 requires that health insurers covering groups of 50 or more persons and health maintenance organizations provide benefits for Pap smears but does not apply to SHBP.

## FISCAL ANALYSIS

### ***EXECUTIVE BRANCH***

The Department of Treasury estimates that this legislation will result in a 0.7 percent increase in Traditional Plan claims, producing an additional \$1.6 million in State expenses and \$4.9 million increase in local employers' expenses for that plan in the first year. The department assumes a 10 percent annual increase thereafter.

### ***OFFICE OF LEGISLATIVE SERVICES***

The Office of Legislative Services **concurs**.

The State Health Benefits Program (SHBP) is a multiple option program offering health benefits coverage through the indemnity Traditional Plan or one of the managed care options, NJ PLUS and several health maintenance organizations (HMOs). NJ PLUS and the SHBP HMOs provide coverage which includes well care and preventive services. The in-network expenses incurred in conducting a Pap smear and any confirmatory tests are covered in full by those SHBP managed care options.

This legislation produces additional expenses to the Traditional Plan option, a fee-for-service or indemnity plan, which does not cover preventive or well care visits to a physician. The plan does cover expenses associated with treatment if a Pap smear reveals a problem. Currently, then, the Traditional Plan does cover any confirmatory tests when medically necessary, as required by the legislation.

Because the legislation requires coverage for expenses incurred in conducting a Pap smear, those expenses can include the cost of the office visit in addition to the laboratory costs. A larger portion of the fiscal impact will fall upon school districts and local public employers because many of their active employees are enrolled in the Traditional Plan. The number of active State employees in the Traditional Plan has declined significantly with the imposition of premium sharing for that coverage.

Section: *State Government*

Analyst: *Pamela H. Espenshade*  
*Senior Counsel*

Approved: *Alan R. Kooney*  
*Legislative Budget and Finance Officer*

This fiscal note has been prepared pursuant to P.L.1980, c.67.

# ASSEMBLY, No. 292

## STATE OF NEW JERSEY 209th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2000 SESSION

**Sponsored by:**

**Assemblywoman NIA H. GILL**

**District 27 (Essex)**

**Assemblyman JOHN V. KELLY**

**District 36 (Bergen, Essex and Passaic)**

**Co-Sponsored by:**

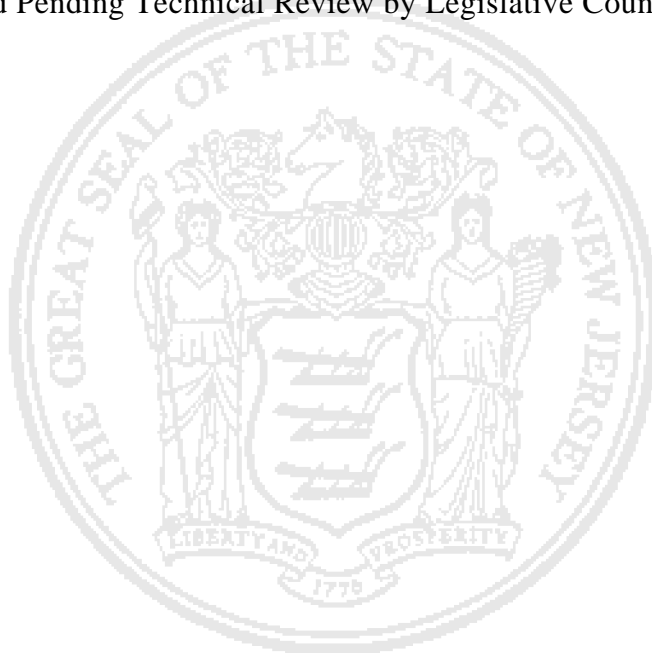
**Assemblymen DiGaetano, O'Toole, Assemblywomen Watson Coleman and Weinberg**

**SYNOPSIS**

Clarifies health insurance coverage requirements for Pap smears and requires same coverage under State Health Benefits Program.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



**(Sponsorship Updated As Of: 2/25/2000)**



1 AN ACT concerning health insurance benefits for Pap smears,  
2 amending P.L.1995, c.415 and supplementing P.L.1961, c.49  
3 (C.52:14-17.25 et seq.).  
4

5 **BE IT ENACTED** by the Senate and General Assembly of the State  
6 of New Jersey:  
7

8 1. Section 1 of P.L.1995, c.415 (C.17:48E-35.12) is amended to  
9 read as follows:

10 1. No health service corporation contract providing hospital or  
11 medical expense benefits for groups with greater than **[49]** 50 persons  
12 shall be delivered, issued, executed or renewed in this State, or  
13 approved for issuance or renewal in this State by the Commissioner of  
14 Banking and Insurance on or after the effective date of this act, unless  
15 the contract provides benefits to any named subscriber or other person  
16 covered thereunder for expenses incurred in conducting a Pap smear.  
17 The benefits shall be provided to the same extent as for any other  
18 medical condition under the contract.

19 As used in this section, and notwithstanding the provisions of this  
20 section to the contrary, "Pap smear" means an initial Pap smear and  
21 any confirmatory test when medically necessary and as ordered by the  
22 covered person's physician and includes all laboratory costs associated  
23 with the initial Pap smear and any such confirmatory test.

24 This section shall apply to all health service corporation contracts  
25 in which the health service corporation has reserved the right to  
26 change the premium.

27 (cf: P.L.1995, c.415, s.1)  
28

29 2. Section 2 of P.L.1995, c.415 (C.17:48-6o) is amended to read  
30 as follows:

31 2. No hospital service corporation contract providing hospital or  
32 medical expense benefits for groups with greater than **[49]** 50 persons  
33 shall be delivered, issued, executed or renewed in this State, or  
34 approved for issuance or renewal in this State by the Commissioner of  
35 Banking and Insurance on or after the effective date of this act, unless  
36 the contract provides benefits to any named subscriber or other person  
37 covered thereunder for expenses incurred in conducting a Pap smear.  
38 The benefits shall be provided to the same extent as for any other  
39 medical condition under the contract.

40 As used in this section, and notwithstanding the provisions of this  
41 section to the contrary, "Pap smear" means an initial Pap smear and  
42 any confirmatory test when medically necessary and as ordered by the  
43 covered person's physician and includes all laboratory costs associated

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

Matter underlined thus is new matter.

1 with the initial Pap smear and any such confirmatory test.

2 This section shall apply to all hospital service corporation contracts  
3 in which the hospital service corporation has reserved the right to  
4 change the premium.

5 (cf: P.L.1995, c.415, s.2)

6

7 3. Section 3 of P.L.1995, c.415 (C.17:48A-7m) is amended to read  
8 as follows:

9 3. No medical service corporation contract providing hospital or  
10 medical expense benefits for groups with greater than [49] 50 persons  
11 shall be delivered, issued, executed or renewed in this State, or  
12 approved for issuance or renewal in this State by the Commissioner of  
13 Banking and Insurance on or after the effective date of this act, unless  
14 the contract provides benefits to any named subscriber or other person  
15 covered thereunder for expenses incurred in conducting a Pap smear.  
16 The benefits shall be provided to the same extent as for any other  
17 medical condition under the contract.

18 As used in this section, and notwithstanding the provisions of this  
19 section to the contrary, "Pap smear" means an initial Pap smear and  
20 any confirmatory test when medically necessary and as ordered by the  
21 covered person's physician and includes all laboratory costs associated  
22 with the initial Pap smear and any such confirmatory test.

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

26 (cf: P.L.1995, c.415, s.3)

27

28 4. Section 4 of P.L.1995, c.415 (C.17B:27-46.1n) is amended to  
29 read as follows:

30 4. No group health insurance policy providing hospital or medical  
31 expense benefits for groups with greater than [49] 50 persons shall be  
32 delivered, issued, executed or renewed in this State, or approved for  
33 issuance or renewal in this State by the Commissioner of Banking and  
34 Insurance on or after the effective date of this act, unless the policy  
35 provides benefits to any named insured or other person covered  
36 thereunder for expenses incurred in conducting a Pap smear. The  
37 benefits shall be provided to the same extent as for any other medical  
38 condition under the policy.

39 As used in this section, and notwithstanding the provisions of this  
40 section to the contrary, "Pap smear" means an initial Pap smear and  
41 any confirmatory test when medically necessary and as ordered by the  
42 covered person's physician and includes all laboratory costs associated  
43 with the initial Pap smear and any such confirmatory test. This section  
44 shall apply to all group health insurance policies in which the health  
45 insurer has reserved the right to change the premium.

46 (cf: P.L.1995, c.415, s.4)

1       5. Section 5 of P.L.1995, c.415 (C.26:2J-4.12) is amended to read  
2 as follows:

3       5. A certificate of authority to establish and operate a health  
4 maintenance organization in this State shall not be issued or continued  
5 by the Commissioner of Health and Senior Services on or after the  
6 effective date of this act unless the health maintenance organization  
7 offers health care services to any enrollee or other person covered  
8 thereunder which include a Pap smear. The health care services shall  
9 be provided to the same extent as for any other medical condition  
10 under the contract.

11       As used in this section, and notwithstanding the provisions of this  
12 section to the contrary, "Pap smear" means an initial Pap smear and  
13 any confirmatory test when medically necessary and as ordered by the  
14 covered person's physician and includes all laboratory costs associated  
15 with the initial Pap smear and any such confirmatory test.

16       The provisions of this section shall apply to all contracts for health  
17 care services by health maintenance organizations under which the  
18 right to change the schedule of charges for enrollee coverage is  
19 reserved.

20 (cf: P.L.1995, c.415, s.5)

21

22       6. The State Health Benefits Commission shall provide benefits to  
23 each person covered under the State Health Benefits Program for  
24 expenses incurred in conducting a Pap smear. The benefits shall be  
25 provided to the same extent as for any other medical condition under  
26 the contract.

27       As used in this section, and notwithstanding the provisions of this  
28 section to the contrary, "Pap smear" means an initial Pap smear and  
29 any confirmatory test when medically necessary and as ordered by the  
30 covered person's physician and includes all laboratory costs associated  
31 with the initial Pap smear and any such confirmatory test.

32

33       7. This act shall take effect immediately.

34

35

36

#### STATEMENT

37

38       This bill clarifies the requirements for coverage of Pap smears  
39 mandated for insurance carriers under P.L.1995, c.415, by stipulating  
40 that the required health insurance coverage shall include coverage for  
41 any confirmatory test when medically necessary and as ordered by the  
42 woman's physician and all laboratory costs associated with the initial  
43 Pap smear and any such confirmatory test. The purpose of this bill is  
44 to assist those patients who have found that their health insurance  
45 benefits for Pap smears as mandated by State law did not fully cover  
46 all of the costs addressed by this bill.

**A292 GILL, KELLY**

5

1       The bill also provides that the State Health Benefits Commission  
2 shall provide benefits to each person covered under the State Health  
3 Benefits Program for expenses incurred in conducting a Pap smear.

ASSEMBLY HEALTH COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 292**

**STATE OF NEW JERSEY**

DATED: JUNE 4, 2001

The Assembly Health Committee reports favorably Assembly Bill No. 292.

This bill clarifies the requirements of P.L.1995, c.415, which requires health insurers that cover groups of 51 or more persons and health maintenance organizations to provide benefits for Pap smears. The bill stipulates that the required health insurance coverage shall include coverage for any confirmatory test when medically necessary and as ordered by the woman's physician and all laboratory costs associated with the initial Pap smear and any such confirmatory test. The purpose of the bill is to assist those patients who have found that their health insurance benefits for Pap smears as mandated by State law did not fully cover all of the costs addressed by this bill.

The bill also extends the requirement for coverage of benefits related to Pap smears to the State Health Benefits Commission in order to ensure that persons covered under the State Health Benefits Program are afforded the same coverage as those covered under commercial insurance plans.

This bill is identical to Senate Bill No. 516 (1R) (Turner/Allen), which the committee also reported on this date.

This bill was prefiled for introduction in the 2000-2001 session pending technical review. As reported, the bill includes the changes required by technical review which has been performed.

# ASSEMBLY APPROPRIATIONS COMMITTEE

## STATEMENT TO

### ASSEMBLY, No. 292

# STATE OF NEW JERSEY

DATED: JUNE 25, 2001

The Assembly Appropriations Committee reports favorably Assembly Bill No. 292.

Assembly Bill No. 292 clarifies the requirements of P.L.1995, c.415, which requires health insurers that cover groups of 51 or more persons and health maintenance organizations to provide benefits for Pap smears. The bill stipulates that the required health insurance coverage shall include coverage for any confirmatory test when medically necessary and as ordered by the woman's physician and all laboratory costs associated with the initial Pap smear and any such confirmatory test. The purpose of the bill is to assist those patients who have found that their health insurance benefits for Pap smears as mandated by State law did not fully cover all of the costs addressed by this bill.

The bill also extends the requirement for coverage of benefits related to Pap smears to the State Health Benefits Commission in order to ensure that persons covered under the State Health Benefits Program are afforded the same coverage as those covered under commercial insurance plans.

This bill as reported by the committee is identical to Senate Bill No. 516 (1R) as also reported on this date.

#### FISCAL IMPACT:

This legislation produces additional expenses to the Traditional Plan option in SHBP, because the plan does not cover preventive or well care visits to a physician. The plan does cover expenses associated with treatment if a Pap smear reveals a problem. Currently, then, the Traditional Plan does cover any confirmatory tests when medically necessary, as required by the legislation. NJ PLUS and SHBP's participating HMOs provide coverage which includes well care and preventive services. The in-network expenses incurred in conducting a Pap smear and any confirmatory tests are covered by those SHBP managed care options.

The Division of Pensions and Benefits estimates a 0.7% increase in claims with a \$1.6 million State cost and \$4.9 million local cost.

**ASSEMBLY, No. 292**

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**STATE OF NEW JERSEY**

**209th LEGISLATURE**

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PRE-FILED FOR INTRODUCTION IN THE 2000 SESSION

**Sponsored by:**

**Assemblywoman NIA H. GILL**

**District 27 (Essex)**

**Assemblyman JOHN V. KELLY**

**District 36 (Bergen, Essex and Passaic)**

**Co-Sponsored by:**

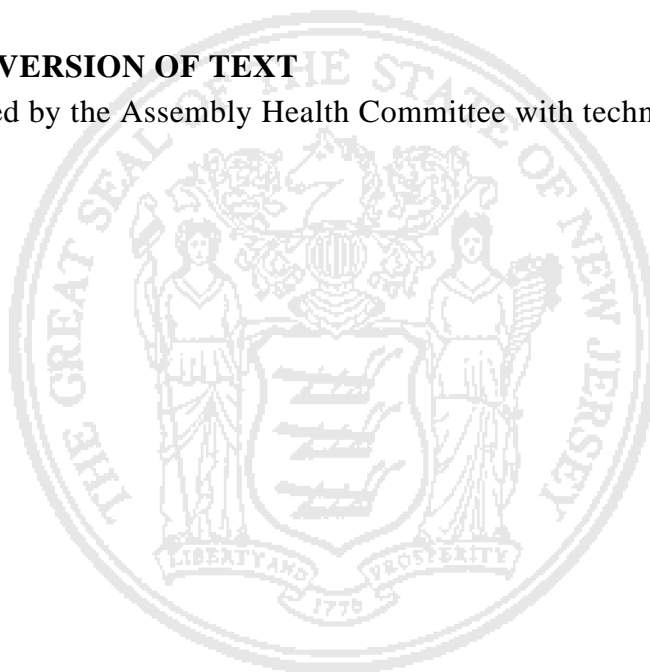
**Assemblymen DiGaetano, O'Toole, Assemblywomen Watson Coleman, Weinberg, Assemblymen Gibson, Asselta, Azzolina, Blee, Conaway, Corodemus, Assemblywoman Crecco, Assemblymen Felice, Geist, Guear, Assemblywoman Heck, Assemblymen LeFevre, Thompson and Zecker**

**SYNOPSIS**

Clarifies health insurance coverage requirements for Pap smears and requires same coverage under State Health Benefits Program.

**CURRENT VERSION OF TEXT**

As reported by the Assembly Health Committee with technical review.



**(Sponsorship Updated As Of: 6/29/2001)**

1 AN ACT concerning health insurance benefits for Pap smears,  
2 amending P.L.1995, c.415 and supplementing P.L.1961, c.49  
3 (C.52:14-17.25 et seq.).

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

7  
8 1. Section 1 of P.L.1995, c.415 (C.17:48E-35.12) is amended to  
9 read as follows:

10 1. No health service corporation contract providing hospital or  
11 medical expense benefits for groups with greater than **[49]** 50 persons  
12 shall be delivered, issued, executed or renewed in this State, or  
13 approved for issuance or renewal in this State by the Commissioner of  
14 Banking and Insurance on or after the effective date of this act, unless  
15 the contract provides benefits to any named subscriber or other person  
16 covered thereunder for expenses incurred in conducting a Pap smear.  
17 The benefits shall be provided to the same extent as for any other  
18 medical condition under the contract.

19 As used in this section, and notwithstanding the provisions of this  
20 section to the contrary, "Pap smear" means an initial Pap smear and  
21 any confirmatory test when medically necessary and as ordered by the  
22 covered person's physician and includes all laboratory costs associated  
23 with the initial Pap smear and any such confirmatory test.

24 This section shall apply to all health service corporation contracts  
25 in which the health service corporation has reserved the right to  
26 change the premium.

27 (cf: P.L.1995, c.415, s.1)

28

29 2. Section 2 of P.L.1995, c.415 (C.17:48-6o) is amended to read  
30 as follows:

31 2. No hospital service corporation contract providing hospital or  
32 medical expense benefits for groups with greater than **[49]** 50 persons  
33 shall be delivered, issued, executed or renewed in this State, or  
34 approved for issuance or renewal in this State by the Commissioner of  
35 Banking and Insurance on or after the effective date of this act, unless  
36 the contract provides benefits to any named subscriber or other person  
37 covered thereunder for expenses incurred in conducting a Pap smear.  
38 The benefits shall be provided to the same extent as for any other  
39 medical condition under the contract.

40 As used in this section, and notwithstanding the provisions of this  
41 section to the contrary, "Pap smear" means an initial Pap smear and  
42 any confirmatory test when medically necessary and as ordered by the  
43 covered person's physician and includes all laboratory costs associated

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

**Matter underlined thus is new matter.**



1 with the initial Pap smear and any such confirmatory test.

2 This section shall apply to all hospital service corporation contracts  
3 in which the hospital service corporation has reserved the right to  
4 change the premium.

5 (cf: P.L.1995, c.415, s.2)

6

7 3. Section 3 of P.L.1995, c.415 (C.17:48A-7m) is amended to read  
8 as follows:

9 3. No medical service corporation contract providing hospital or  
10 medical expense benefits for groups with greater than [49] 50 persons  
11 shall be delivered, issued, executed or renewed in this State, or  
12 approved for issuance or renewal in this State by the Commissioner of  
13 Banking and Insurance on or after the effective date of this act, unless  
14 the contract provides benefits to any named subscriber or other person  
15 covered thereunder for expenses incurred in conducting a Pap smear.  
16 The benefits shall be provided to the same extent as for any other  
17 medical condition under the contract.

18 As used in this section, and notwithstanding the provisions of this  
19 section to the contrary, "Pap smear" means an initial Pap smear and  
20 any confirmatory test when medically necessary and as ordered by the  
21 covered person's physician and includes all laboratory costs associated  
22 with the initial Pap smear and any such confirmatory test.

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

26 (cf: P.L.1995, c.415, s.3)

27

28 4. Section 4 of P.L.1995, c.415 (C.17B:27-46.1n) is amended to  
29 read as follows:

30 4. No group health insurance policy providing hospital or medical  
31 expense benefits for groups with greater than [49] 50 persons shall be  
32 delivered, issued, executed or renewed in this State, or approved for  
33 issuance or renewal in this State by the Commissioner of Banking and  
34 Insurance on or after the effective date of this act, unless the policy  
35 provides benefits to any named insured or other person covered  
36 thereunder for expenses incurred in conducting a Pap smear. The  
37 benefits shall be provided to the same extent as for any other medical  
38 condition under the policy.

39 As used in this section, and notwithstanding the provisions of this  
40 section to the contrary, "Pap smear" means an initial Pap smear and  
41 any confirmatory test when medically necessary and as ordered by the  
42 covered person's physician and includes all laboratory costs associated  
43 with the initial Pap smear and any such confirmatory test. This section  
44 shall apply to all group health insurance policies in which the health  
45 insurer has reserved the right to change the premium.

46 (cf: P.L.1995, c.415, s.4)

1       5. Section 5 of P.L.1995, c.415 (C.26:2J-4.12) is amended to read  
2 as follows:

3       5. A certificate of authority to establish and operate a health  
4 maintenance organization in this State shall not be issued or continued  
5 by the Commissioner of Health and Senior Services on or after the  
6 effective date of this act unless the health maintenance organization  
7 offers health care services to any enrollee or other person covered  
8 thereunder which include a Pap smear. The health care services shall  
9 be provided to the same extent as for any other medical condition  
10 under the contract.

11       As used in this section, and notwithstanding the provisions of this  
12 section to the contrary, "Pap smear" means an initial Pap smear and  
13 any confirmatory test when medically necessary and as ordered by the  
14 covered person's physician and includes all laboratory costs associated  
15 with the initial Pap smear and any such confirmatory test.

16       The provisions of this section shall apply to all contracts for health  
17 care services by health maintenance organizations under which the  
18 right to change the schedule of charges for enrollee coverage is  
19 reserved.

20 (cf: P.L.1995, c.415, s.5)

21

22       6. (New section) The State Health Benefits Commission shall  
23 provide benefits to each person covered under the State Health  
24 Benefits Program for expenses incurred in conducting a Pap smear.  
25 The benefits shall be provided to the same extent as for any other  
26 medical condition under the contract.

27       As used in this section, and notwithstanding the provisions of this  
28 section to the contrary, "Pap smear" means an initial Pap smear and  
29 any confirmatory test when medically necessary and as ordered by the  
30 covered person's physician and includes all laboratory costs associated  
31 with the initial Pap smear and any such confirmatory test.

32

33       7. This act shall take effect immediately.

**FISCAL NOTE**  
**ASSEMBLY, No. 292**  
**STATE OF NEW JERSEY**  
**209th LEGISLATURE**

DATED: JULY 24, 2001

**SUMMARY**

**Synopsis:** Clarifies health insurance coverage requirements for Pap smears and requires same coverage under State Health Benefits Program.

**Type of Impact:** Increase in annual expenditures, State General Fund and local government employers

**Agencies Affected:** Department of Treasury; local government employers

**Executive Estimate (in thousands)**

| <b>Fiscal Impact</b> | <b>Year 1</b> | <b>Year 2</b> | <b>Year 3</b> |
|----------------------|---------------|---------------|---------------|
| <b>State Cost</b>    | \$1,560       | \$1,716       | \$1,888       |
| <b>Local Cost</b>    | \$4,922       | \$5,414       | \$5,955       |

- ! The Office of Legislative Services **concurs** with the Executive estimate.
- ! Clarifies that the currently required coverage of expenses incurred in conducting a Pap smear by commercial insurers includes coverage for any confirmatory test when medically necessary.
- ! Extends the requirement for coverage of benefits related to Pap smears to the State Health Benefits Program (SHBP) to produce additional expenses in the Traditional Plan option.
- ! The Division of Pensions and Benefits estimates that State expenditures will increase by \$1.6 million and that local expenditures for SHBP will increase by \$4.9 million in the first year of implementation.

**BILL DESCRIPTION**

Assembly Bill No. 292 of 2000 clarifies that the currently required coverage of expenses incurred in conducting a Pap smear includes coverage for any confirmatory test when medically necessary and as ordered by the woman's physician as well as all laboratory costs associated with the initial Pap smear and any such confirmatory test.

In addition, the bill extends the requirement for coverage of these benefits related to Pap smears to the State Health Benefits Program (SHBP) to assure the same coverage for public employees as for those covered under commercial insurance plans. P.L.1995, c.415 requires that

health insurers covering groups of 50 or more persons and health maintenance organizations provide benefits for Pap smears but does not apply to SHBP.

## FISCAL ANALYSIS

### *EXECUTIVE BRANCH*

The Department of Treasury estimates that this legislation will result in a 0.7 percent increase in Traditional Plan claims, producing an additional \$1.6 million in State expenses and \$4.9 million increase in local employers' expenses for that plan in the first year. The department assumes a 10 percent annual increase thereafter.

### *OFFICE OF LEGISLATIVE SERVICES*

The Office of Legislative Services **concurs**.

The State Health Benefits Program (SHBP) is a multiple option program offering health benefits coverage through the indemnity Traditional Plan or one of the managed care options, NJ PLUS and several health maintenance organizations (HMOs). NJ PLUS and the SHBP HMOs provide coverage which includes well care and preventive services. The in-network expenses incurred in conducting a Pap smear and any confirmatory tests are covered in full by those SHBP managed care options.

This legislation produces additional expenses to the Traditional Plan option, a fee-for-service or indemnity plan, which does not cover preventive or well care visits to a physician. The plan does cover expenses associated with treatment if a Pap smear reveals a problem. Currently, then, the Traditional Plan does cover any confirmatory tests when medically necessary, as required by the legislation.

Because the legislation requires coverage for expenses incurred in conducting a Pap smear, those expenses can include the cost of the office visit in addition to the laboratory costs. A larger portion of the fiscal impact will fall upon school districts and local public employers because many of their active employees are enrolled in the Traditional Plan. The number of active State employees in the Traditional Plan has declined significantly with the imposition of premium sharing for that coverage.

Section: *State Government*

Analyst: *Pamela H. Espenshade*  
*Senior Counsel*

Approved: *Alan R. Kooney*  
*Legislative Budget and Finance Officer*

This fiscal note has been prepared pursuant to P.L.1980, c.67.

P.L. 2001, CHAPTER 227, *approved August 27, 2001*  
Senate, No. 516 (*First Reprint*)

1 AN ACT concerning health insurance benefits for Pap smears <sup>1</sup>[and],<sup>1</sup>  
2 amending P.L.1995, c.415 <sup>1</sup>and supplementing P.L.1961, c.49  
3 (C.52:14-17.25 et seq.)<sup>1</sup>.  
4

5 **BE IT ENACTED** by the Senate and General Assembly of the State  
6 of New Jersey:  
7

8 1. Section 1 of P.L.1995, c.415(C.17:48E-35.12) is amended to  
9 read as follows:

10 1. No health service corporation contract providing hospital or  
11 medical expense benefits for groups with greater than ~~[49]~~ 50 persons  
12 shall be delivered, issued, executed or renewed in this State, or  
13 approved for issuance or renewal in this State by the Commissioner of  
14 Banking and Insurance on or after the effective date of this act, unless  
15 the contract provides benefits to any named subscriber or other person  
16 covered thereunder for expenses incurred in conducting a Pap smear.  
17 The benefits shall be provided to the same extent as for any other  
18 medical condition under the contract.

19 As used in this section, and notwithstanding the provisions of this  
20 section to the contrary, "Pap smear" means an initial Pap smear and  
21 any confirmatory test when medically necessary and as ordered by the  
22 covered person's physician and includes all laboratory costs associated  
23 with the initial Pap smear and any such confirmatory test.

24 This section shall apply to all health service corporation contracts  
25 in which the health service corporation has reserved the right to  
26 change the premium.

27 (cf: P.L.1995, c.415, s.1)  
28

29 2. Section 2 of P.L.1995, c.415(C.17:48-6o) is amended to read as  
30 follows:

31 2. No hospital service corporation contract providing hospital or  
32 medical expense benefits for groups with greater than ~~[49]~~ 50 persons  
33 shall be delivered, issued, executed or renewed in this State, or  
34 approved for issuance or renewal in this State by the Commissioner of  
35 Banking and Insurance on or after the effective date of this act, unless  
36 the contract provides benefits to any named subscriber or other person  
37 covered thereunder for expenses incurred in conducting a Pap smear.  
38 The benefits shall be provided to the same extent as for any other  
39 medical condition under the contract.

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

**Matter underlined thus is new matter.**

**Matter enclosed in superscript numerals has been adopted as follows:**

<sup>1</sup> Senate SHH committee amendments adopted June 19, 2000.

1 As used in this section, and notwithstanding the provisions of this  
2 section to the contrary, "Pap smear" means an initial Pap smear and  
3 any confirmatory test when medically necessary and as ordered by the  
4 covered person's physician and includes all laboratory costs associated  
5 with the initial Pap smear and any such confirmatory test.

6 This section shall apply to all hospital service corporation contracts  
7 in which the hospital service corporation has reserved the right to  
8 change the premium.

9 (cf: P.L.1995, c.415, s.2)

10  
11 3. Section 3 of P.L.1995, c.415(C.17:48A-7m) is amended to read  
12 as follows:

13 3. No medical service corporation contract providing hospital or  
14 medical expense benefits for groups with greater than [49] 50 persons  
15 shall be delivered, issued, executed or renewed in this State, or  
16 approved for issuance or renewal in this State by the Commissioner of  
17 Banking and Insurance on or after the effective date of this act, unless  
18 the contract provides benefits to any named subscriber or other person  
19 covered thereunder for expenses incurred in conducting a Pap smear.  
20 The benefits shall be provided to the same extent as for any other  
21 medical condition under the contract.

22 As used in this section, and notwithstanding the provisions of this  
23 section to the contrary, "Pap smear" means an initial Pap smear and  
24 any confirmatory test when medically necessary and as ordered by the  
25 covered person's physician and includes all laboratory costs associated  
26 with the initial Pap smear and any such confirmatory test.

27 This section shall apply to all medical service corporation contracts  
28 in which the medical service corporation has reserved the right to  
29 change the premium.

30 (cf: P.L.1995, c.415, s.3)

31  
32 4. Section 4 of P.L.1995, c.415(C.17B:27-46.1n) is amended to  
33 read as follows:

34 4. No group health insurance policy providing hospital or medical  
35 expense benefits for groups with greater than [49] 50 persons shall be  
36 delivered, issued, executed or renewed in this State, or approved for  
37 issuance or renewal in this State by the Commissioner of Banking and  
38 Insurance on or after the effective date of this act, unless the policy  
39 provides benefits to any named insured or other person covered  
40 thereunder for expenses incurred in conducting a Pap smear. The  
41 benefits shall be provided to the same extent as for any other medical  
42 condition under the policy.

43 As used in this section, and notwithstanding the provisions of this  
44 section to the contrary, "Pap smear" means an initial Pap smear and  
45 any confirmatory test when medically necessary and as ordered by the  
46 covered person's physician and includes all laboratory costs associated  
47 with the initial Pap smear and any such confirmatory test.

1 This section shall apply to all group health insurance policies in  
2 which the health insurer has reserved the right to change the premium.  
3 (cf: P.L.1995, c.415, s.4)

4  
5 5. Section 5 of P.L.1995, c.415(C.26:2J-4.12) is amended to read  
6 as follows:

7 5. A certificate of authority to establish and operate a health  
8 maintenance organization in this State shall not be issued or continued  
9 by the Commissioner of Health and Senior Services on or after the  
10 effective date of this act unless the health maintenance organization  
11 offers health care services to any enrollee or other person covered  
12 thereunder which include a Pap smear. The health care services shall  
13 be provided to the same extent as for any other medical condition  
14 under the contract.

15 As used in this section, and notwithstanding the provisions of this  
16 section to the contrary, "Pap smear" means an initial Pap smear and  
17 any confirmatory test when medically necessary and as ordered by the  
18 covered person's physician and includes all laboratory costs associated  
19 with the initial Pap smear and any such confirmatory test.

20 The provisions of this section shall apply to all contracts for health  
21 care services by health maintenance organizations under which the  
22 right to change the schedule of charges for enrollee coverage is  
23 reserved.

24 (cf: P.L.1995, c.415, s.5)

25  
26 <sup>1</sup>6. (New section) The State Health Benefits Commission shall  
27 provide benefits to each person covered under the State Health  
28 Benefits Program for expenses incurred in conducting a Pap smear.  
29 The benefits shall be provided to the same extent as for any other  
30 medical condition under the contract.

31 As used in this section, and notwithstanding the provisions of this  
32 section to the contrary, "Pap smear" means an initial Pap smear and  
33 any confirmatory test when medically necessary and as ordered by the  
34 covered person's physician and includes all laboratory costs associated  
35 with the initial Pap smear and any such confirmatory test.<sup>1</sup>

36  
37 <sup>1</sup>[6.] 7.<sup>1</sup> This act shall take effect immediately.

38  
39  
40  
41  
42 Clarifies health insurance coverage requirements for Pap smears and  
43 requires same coverage under State Health Benefits Program.

## CHAPTER 227

AN ACT concerning health insurance benefits for Pap smears, amending P.L.1995, c.415 and supplementing P.L.1961, c.49 (C.52:14-17.25 et seq.).

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

1. Section 1 of P.L.1995, c.415 (C.17:48E-35.12) is amended to read as follows:

C.17:48E-35.12 Health service corporation contract, Pap smear benefits.

1. No health service corporation contract providing hospital or medical expense benefits for groups with greater than 50 persons shall be delivered, issued, executed or renewed in this State, 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, unless the contract provides benefits to any named subscriber or other person covered thereunder for expenses incurred in conducting a Pap smear. The benefits shall be provided to the same extent as for any other medical condition under the contract.

As used in this section, and notwithstanding the provisions of this section to the contrary, "Pap smear" means an initial Pap smear and any confirmatory test when medically necessary and as ordered by the covered person's physician and includes all laboratory costs associated with the initial Pap smear and any such confirmatory test.

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

2. Section 2 of P.L.1995, c.415 (C.17:48-6o) is amended to read as follows:

C.17:48-6o Hospital service corporation contract, Pap smear benefits.

2. No hospital service corporation contract providing hospital or medical expense benefits for groups with greater than 50 persons shall be delivered, issued, executed or renewed in this State, 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, unless the contract provides benefits to any named subscriber or other person covered thereunder for expenses incurred in conducting a Pap smear. The benefits shall be provided to the same extent as for any other medical condition under the contract.

As used in this section, and notwithstanding the provisions of this section to the contrary, "Pap smear" means an initial Pap smear and any confirmatory test when medically necessary and as ordered by the covered person's physician and includes all laboratory costs associated with the initial Pap smear and any such confirmatory test.

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

3. Section 3 of P.L.1995, c.415 (C.17:48A-7m) is amended to read as follows:

C.17:48A-7m Medical service corporation contract, Pap smear benefits.

3. No medical service corporation contract providing hospital or medical expense benefits for groups with greater than 50 persons shall be delivered, issued, executed or renewed in this State, 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, unless the contract provides benefits to any named subscriber or other person covered thereunder for expenses incurred in conducting a Pap smear. The benefits shall be provided to the same extent as for any other medical condition under the contract.

As used in this section, and notwithstanding the provisions of this section to the contrary, "Pap smear" means an initial Pap smear and any confirmatory test when medically necessary and as ordered by the covered person's physician and includes all laboratory costs associated with the initial Pap smear and any such confirmatory test.

This section shall apply to all medical service corporation contracts in which the medical service corporation has reserved the right to change the premium.

4. Section 4 of P.L.1995, c.415 (C.17B:27-46.1n) is amended to read as follows:



C.17B:27-46.1n Group health insurance policy, Pap smear benefits.

4. No group health insurance policy providing hospital or medical expense benefits for groups with greater than 50 persons shall be delivered, issued, executed or renewed in this State, 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, unless the policy provides benefits to any named insured or other person covered thereunder for expenses incurred in conducting a Pap smear. The benefits shall be provided to the same extent as for any other medical condition under the policy.

As used in this section, and notwithstanding the provisions of this section to the contrary, "Pap smear" means an initial Pap smear and any confirmatory test when medically necessary and as ordered by the covered person's physician and includes all laboratory costs associated with the initial Pap smear and any such confirmatory test.

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

5. Section 5 of P.L.1995, c.415 (C.26:2J-4.12) is amended to read as follows:

C.26:2J-4.12 HMO contracts, Pap smear benefits.

5. A certificate of authority to establish and operate a health maintenance organization in this State shall not be issued or continued by the Commissioner of Health and Senior Services on or after the effective date of this act unless the health maintenance organization offers health care services to any enrollee or other person covered thereunder which include a Pap smear. The health care services shall be provided to the same extent as for any other medical condition under the contract.

As used in this section, and notwithstanding the provisions of this section to the contrary, "Pap smear" means an initial Pap smear and any confirmatory test when medically necessary and as ordered by the covered person's physician and includes all laboratory costs associated with the initial Pap smear and any such confirmatory test.

The provisions of this section shall apply to all contracts for health care services by health maintenance organizations under which the right to change the schedule of charges for enrollee coverage is reserved.

C.52:14-17.29f Pap smear benefits in State health benefits contracts.

6. The State Health Benefits Commission shall provide benefits to each person covered under the State Health Benefits Program for expenses incurred in conducting a Pap smear. The benefits shall be provided to the same extent as for any other medical condition under the contract.

As used in this section, and notwithstanding the provisions of this section to the contrary, "Pap smear" means an initial Pap smear and any confirmatory test when medically necessary and as ordered by the covered person's physician and includes all laboratory costs associated with the initial Pap smear and any such confirmatory test.

7. This act shall take effect immediately.

Approved August 27, 2001.