

17B:26-2

LEGISLATIVE HISTORY CHECKLIST

NJSA 17B:26-2;17B:27-30

Laws of 1975 Chapter 111

Bill No. A1503

Sponsor(s) Keegan

Date Introduced April 4, 1974

Committee: Assembly Institutions, Health & Welfare; Banking & Insurance
Senate Institutions, Health & Welfare

Amended during passage Yes ~~Yes~~ Amendments During passage denoted by Asterisks

Date of passage: Assembly May 6, 1974

Senate Feb. 27, 1975

Date of approval June 3, 1975

Following statements are attached if available:

Sponsor statement Yes ~~No~~

Committee Statement: Assembly ~~Yes~~ ~~No~~

Senate Yes Below ~~Yes~~

Fiscal Note ~~Yes~~ ~~No~~

Veto message ~~Yes~~ ~~No~~

Message on signing ~~Yes~~ ~~No~~

Following were printed:

Reports ~~Yes~~ ~~No~~

Hearings ~~Yes~~ ~~No~~

Cited in Sponsor's Statement:
"Model New Born Child Bill" - See Legislative History of 17:48-6 (L. 1975, c.109).

Senate Committee Statement:
The statement already appended to this bill adequately conveys the committee's understanding of the bill's contents.

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ASSEMBLY, No. 1503

STATE OF NEW JERSEY

INTRODUCED APRIL 4, 1974

By Assemblyman KEEGAN

Referred to Committee on Institutions, Health and Welfare

AN ACT concerning health insurance and amending N. J. S.
17B:26-2 and N. J. S. 17B:27-30.

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

1 1. N. J. S. 17B:26-2 is amended to read as follows:

2 17B:26-2. a. No such policy of insurance shall be delivered or
3 issued for delivery to any person in this State unless:

4 (1) The entire money and other considerations therefor are
5 expressed therein; and

6 (2) The time at which the insurance takes effect and terminates
7 is expressed therein; and

8 (3) It purports to insure only one person, except that a policy
9 may insure, originally or by subsequent amendment, upon the
10 application of an adult member of a family who shall be deemed
11 the policyholder, any two or more eligible members of that family,
12 including husband, wife, dependent children or any children under
13 a specified age which shall not exceed 19 years and any other person
14 dependent upon the policyholder; and

15 (4) The style, arrangement and overall appearance of the policy
16 give no undue prominence to any portion of the text, and unless
17 every printed portion of the text of the policy and of any endorse-
18 ments or attached papers is plainly printed in light-faced type of
19 a style in general use, the size of which shall be uniform and not
20 less than 10-point with a lower-case unspaced alphabet length not
21 less than 120-point (the "text" shall include all printed matter ex-
22 cept the name and address of the insurer, name or title of the policy,
23 the brief description if any, and captions and subcaptions); and

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

24 (5) The exceptions and reductions of indemnity are set forth in
25 the policy and, except those which are set forth in sections 17B:26-3
26 to 17B:26-31 inclusive, are printed, at the insurer's option, either
27 included with the benefit provision to which they apply, or under
28 an appropriate caption such "exceptions," or "exceptions and
29 reductions," provided that if an exception or reduction specifically
30 applies only to a particular benefit of the policy, a statement of such
31 exception or reduction shall be included with the benefit provision
32 to which it applies; and

33 (6) Each such form, including riders and endorsements, shall be
34 identified by a form number in the lower left-hand corner of the
35 first page thereof; and

36 (7) It contains no provision purporting to make any portion of
37 the charter, rules, constitution, or bylaws of the insurer a part of
38 the policy unless such portion is set forth in full in the policy, ex-
39 cept in the case of the incorporation of, or reference to, a statement
40 of rates or classification of risks, or short-rate table filed with the
41 commissioner.

42 b. A policy under which coverage of a dependent of the policy-
43 holder terminates at a specified age shall, with respect to an un-
44 married child covered by the policy prior to the attainment of age
45 19, who is incapable of self-sustaining employment by reason of
46 mental retardation or physical handicap and who became so
47 incapable prior to attainment of age 19 and who is chiefly de-
48 pendent upon such policyholder for support and maintenance, not
49 so terminate while the policy remains in force and the dependent
50 remains in such condition, if the policyholder has within 31 days
51 of such dependent's attainment of the limiting age submitted proof
52 of such dependent's incapacity as described herein. The foregoing
53 provisions of this paragraph shall not require an insurer to insure
54 a dependent who is a mentally retarded or physically handicapped
55 child where the policy is underwritten on evidence of insurability
56 based on health factors set forth in the application or where such
57 dependent does not satisfy the conditions of the policy as to any
58 requirement for evidence of insurability or other provisions of the
59 policy, satisfaction of which is required for coverage thereunder
60 to take effect. In any such case the terms of the policy shall apply
61 with regard to the coverage or exclusion from coverage of such
62 dependent.

63 c. Notwithstanding any provision of a policy of health insur-
64 ance, hereafter delivered or issued for delivery in this State,
65 whenever such policy provides for reimbursement for any opto-

66 metric service which is within the lawful scope of practice of a
 67 duly licensed optometrist, the insured under such policy shall be
 68 entitled to reimbursement for such service, whether the said service
 69 is performed by a physician or duly licensed optometrist.

70 d. If any policy is issued by an insurer domiciled in this State
 71 for delivery to a person residing in another state, and if the official
 72 having responsibility for the administration of the insurance laws
 73 of such other state shall have advised the commissioner that any
 74 such policy is not subject to approval or disapproval by such official,
 75 the commissioner may by ruling require that such policy meet the
 76 standards set forth in subsection a. of this section and in sections
 77 17B:26-3 to 17B:26-31 inclusive.

78 e. Notwithstanding any provision of a policy of health insurance,
 79 hereafter delivered or issued for delivery in this State, whenever
 80 such policy provides for reimbursement for any psychological
 81 service which is within the lawful scope of practice of a duly li-
 82 censed psychologist, the insured under such policy shall be entitled
 83 to reimbursement for such service, whether the said service is
 84 performed by a physician or duly licensed psychologist.

85 f. *All individual health insurance policies which provide cover-*
 86 *age for a family member or dependent of the insured on an expense*
 87 *incurred basis shall also provide that the health insurance benefits*
 88 *applicable for children shall be payable with respect to a newly-*
 89 *born child of that insured from the moment of birth.*

90 (1) *The coverage for newly born children shall consist of cover-*
 91 *age of injury or sickness including the necessary care and treat-*
 92 *ment of medically diagnosed congenital defects and birth abnormal-*
 93 *ities.*

94 (2) *If payment of a specific premium is required to provide*
 95 *coverage for a child, the policy may require that notification of birth*
 96 *of a newly-born child and payment of the required premium must*
 97 *be furnished to the insurer within 31 days after the date of birth in*
 98 *order to have the coverage continue beyond such 31-day period.*

99 **g. All individual health insurance policies which *provide*
 100 *coverage on an expense incurred basis but* do not provide coverage*
 101 *for a family member or dependent of the insured on an expense*
 102 *incurred basis shall nevertheless provide for coverage of newborn*
 103 *children of the insured which shall commence with the ***[date]****
 104 **moment* of birth of each child and shall consist of coverage of*
 105 *injury or sickness including the necessary care and treatment of*
 106 *medically diagnosed congenital defects and birth abnormalities,*
 107 *provided application ***[is]*** therefor and payment of the required*
 108 *premium are* made *to the insurer* to ***[convert said policy to a***

109 family] *include in said* policy *coverage the same or similar
 110 to that of the insured, described in (f) (1) above* *[30]* *31* days
 111 from the date of a newborn child.*

1 2. N. J. S. 17B:27-30 is amended to read as follows:

2 17B:27-30. Benefits of group health insurance, except benefits
 3 for loss of time on account of disability, may be provided for one or
 4 more members of the families or one or more dependents of persons
 5 who may be insured under a group policy referred to in sections
 6 17B:27-27, 17B:27-28 or 17B:27-29. Any group health insurance
 7 policy which contains provisions for the payment by the insurer
 8 of benefits for expenses incurred on account of hospital, nursing,
 9 medical, or surgical services for members of the family or depen-
 10 dents of a person in the insured group may provide for the con-
 11 tinuation of such benefit provisions, or any part or parts thereof,
 12 after the death of the person in the insured group.

13 *All group health insurance policies which provide coverage for a*
 14 *family member or dependent of an insured on an expense incurred*
 15 *basis shall also provide that the benefits applicable for children*
 16 *shall be payable with respect to a newly-born child of that insured*
 17 *from the moment of birth. The coverage for newly-born children*
 18 *shall consist of coverage of injury or sickness including the nec-*
 19 *essary care and treatment of medically diagnosed congenital*
 20 *defects and birth abnormalities. If payment of a specific premium*
 21 *is required to provide coverage for a child, the policy may require*
 22 *that notification of birth of a newly-born child and payment of the*
 23 *required premium must be furnished to the insurer within 31 days*
 24 *after the date of birth in order to have the coverage continue beyond*
 25 *such 31-day period.*

25A **All group health insurance policies which *provide coverage on*
 25B *an expense incurred basis for the insured but* do not provide cover-*
 25C *age for a family member or dependent of the insured on an expense*
 25D *incurred basis, except such group policies as provide no dependent*
 25E *coverage whatsoever *for the insured's class*, shall nevertheless*
 25F *provide for coverage of newborn children of the insured which*
 25G *shall commence with the *[date]* *moment* of birth of each child*
 25H *and shall consist of coverage of injury or sickness including the*
 25I *necessary care and treatment of medically diagnosed congenital*
 25J *defects and birth abnormalities, provided application *[is]* *and*
 25K *payment of the required premium are* made *to the insurer* to*
 25L **[convert said policy to a family]* *include in said* policy*
 25M **coverage for a newly-born child as described in the previous*
 25N *paragraph of this section* within *[30]* *31* days from the date*
 25O *of birth of a newborn child.**

26 A policy under which coverage of a dependent of an employee or
27 other member of the insured group terminates at a specified age
28 shall, with respect to an unmarried child covered by the policy prior
29 to the attainment of age 19, who is incapable of self-sustaining
30 employment by reason of mental retardation or physical handicap
31 and who became so incapable prior to attainment of age 19 and
32 who is chiefly dependent upon such employee or member for sup-
33 port and maintenance, not so terminate while the insurance of the
34 employee or member remains in force and the dependent remains
35 in such condition, if the insured employee or member has within
36 31 days of such dependent's attainment of the termination age sub-
37 mitted proof of such dependent's incapacity as described herein.
38 The foregoing provision of this paragraph shall not require an
39 insurer to insure a dependent who is a mentally retarded or
40 physically handicapped child of an employee or other member of
41 the insured group where such dependent does not satisfy the con-
42 ditions of the group policy as to any requirements for evidence of
43 insurability or other provisions as may be stated in the group
44 policy required for coverage thereunder to take effect. In any
45 such case the terms of the policy shall apply with regard to the
46 coverage or exclusion from coverage of such dependent.

1 3. This act shall take effect 120 days following enactment.

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14 *family member or dependent of an insured on an expense incurred*
15 *basis shall also provide that the benefits applicable for children*
16 *shall be payable with respect to a newly-born child of that insured*
17 *from the moment of birth. The coverage for newly-born children*
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20 *defects and birth abnormalities. If payment of a specific premium*
21 *is required to provide coverage for a child, the policy may require*
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23 *required premium must be furnished to the insurer within 31 days*
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25 *such 31-day period.*

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27 other member of the insured group terminates at a specified age
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29 to the attainment of age 19, who is incapable of self-sustaining
30 employment by reason of mental retardation or physical handicap
31 and who became so incapable prior to attainment of age 19 and
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33 port and maintenance, not so terminate while the insurance of the
34 employee or member remains in force and the dependent remains
35 in such condition, if the insured employee or member has within
36 31 days of such dependent's attainment of the termination age sub-
37 mitted proof of such dependent's incapacity as described herein.
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39 insurer to insure a dependent who is a mentally retarded or
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41 the insured group where such dependent does not satisfy the con-
42 ditions of the group policy as to any requirements for evidence of
43 insurability or other provisions as may be stated in the group
44 policy required for coverage thereunder to take effect. In any
45 such case the terms of the policy shall apply with regard to the
46 coverage or exclusion from coverage of such dependent.

1 3. This act shall take effect 120 days following enactment.

STATEMENT

This bill is based upon the Model New Born Children Bill, prepared by the American Academy of Pediatrics with the assistance of the Health Insurance Association of America.