

17:48-6qq et. al
LEGISLATIVE HISTORY CHECKLIST
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LAWS OF: 2017 **CHAPTER:** 309

NJSA: 17:48-6qq et. al (Requires health benefits coverage for donated human breast milk under certain conditions.)

BILL NO: S2976 (Substituted for A1470)

SPONSOR(S) Weinberg and others

DATE INTRODUCED: 1/30/2017

COMMITTEE: **ASSEMBLY:** ---

SENATE: Budget & Appropriations

AMENDED DURING PASSAGE: Yes

DATE OF PASSAGE: **ASSEMBLY:** 1/8/2018

SENATE: 1/5/2018

DATE OF APPROVAL: 1/16/2018

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL (First Reprint enacted) Yes

S2976

SPONSOR'S STATEMENT: (Begins on page 5 of introduced bill) Yes

COMMITTEE STATEMENT: **ASSEMBLY:** No

SENATE: Yes

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, *may possibly* be found at www.njleg.state.nj.us)

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL ESTIMATE: Yes

A1470

SPONSOR'S STATEMENT: (Begins on page 5 of introduced bill) Yes

COMMITTEE STATEMENT: **ASSEMBLY:** Yes Appropriations
Finan. Institutions & Insurance

SENATE: No

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, *may possibly* be found at www.njleg.state.nj.us)

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL ESTIMATE: Yes

(continued)

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: No

FOLLOWING WERE PRINTED:

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REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES: No

RWH/CL

§1 - C.17:48-6qq
§2 - C.17:48A-7nn
§3 - C.17:48E-35.41
§4 - C.17B:26-2.1kk
§5 - C.17B:27-46.1qq
§6 - C.17B:27A-7.24
§7 - C.17B:27A-19.28
§8 - C.26:2J-4.42
§9 - C.52:14-17.29z
§10 - C.52:14-17.46.6k

P.L. 2017, CHAPTER 309, *approved January 16, 2018*

Senate, No. 2976 (*First Reprint*)

1 AN ACT concerning health benefits coverage for donated human
2 breast milk and supplementing various parts of the statutory law.

3

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

6

7 1. a. A hospital service corporation contract that provides
8 hospital or medical expense benefits and is delivered, issued,
9 executed or renewed in this State, or approved for issuance or
10 renewal in this State by the Commissioner of Banking and
11 Insurance, on or after the effective date of this act, shall provide
12 coverage for expenses incurred in the provision of ¹pasteurized¹
13 donated human breast milk ¹, which may include human milk
14 fortifiers if indicated by the prescribing licensed medical
15 practitioner,¹ provided that:

16 (1) the covered person is an infant under the age of six months;

17 (2) ¹**[**a physician prescribes the milk for the covered person; and

18 (3)¹ **]** the milk is obtained from a human milk bank that meets
19 quality guidelines established by the ¹**[**Human Milk Banking
20 Association of North America, or that is licensed by the **]**¹
21 Department of Health ¹; and

22 (3) a licensed medical practitioner has issued an order for an
23 infant who is medically or physically unable to receive maternal
24 breast milk or participate in breast feeding or whose mother is
25 medically or physically unable to produce maternal breast milk in
26 sufficient quantities or participate in breast feeding despite optimal
27 lactation support; or

28 (4) a licensed medical practitioner has issued an order for an
29 infant who meets any of the following conditions:

30 (a) a body weight below healthy levels determined by the
31 licensed medical practitioner;

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SBA committee amendments adopted December 18, 2017.

- 1 (b) a congenital or acquired condition that places the infant at a
2 high risk for development of necrotizing enterocolitis; or
3 (c) a congenital or acquired condition that may benefit from the
4 use of donor breast milk as determined by the Department of
5 Health¹.
- 6 b. The provisions of this section shall apply to those hospital
7 service corporation contracts in which the hospital service
8 corporation has reserved the right to change the premium.
- 9 ¹c. Nothing in this section shall preclude the hospital service
10 corporation from performing utilization review, including periodic
11 review of the medical necessity of a particular service.
- 12 d. The benefits shall be provided to the same extent as for any
13 other prescribed items under the contract.
- 14 e. If there is no supply of human breast milk that meets the
15 requirements of paragraph (2) of subsection a. of this section, the
16 hospital service corporation shall not be required to provide
17 coverage of expenses pursuant to this section.¹
18
- 19 2. a. A medical service corporation contract that provides
20 hospital or medical expense benefits and is delivered, issued,
21 executed or renewed in this State, or approved for issuance or
22 renewal in this State by the Commissioner of Banking and
23 Insurance, on or after the effective date of this act, shall provide
24 coverage for expenses incurred in the provision of ¹pasteurized¹
25 donated human breast milk ¹, which may include human milk
26 fortifiers if indicated by the prescribing licensed medical
27 practitioner,¹ provided that:
- 28 (1) the covered person is an infant under the age of six months;
29 (2) ¹[a physician prescribes the milk for the covered person; and
30 (3)]¹ the milk is obtained from a human milk bank that meets
31 quality guidelines established by the ¹[Human Milk Banking
32 Association of North America, or that is licensed by the]¹
33 Department of Health ¹; and
- 34 (3) a licensed medical practitioner has issued an order for an
35 infant who is medically or physically unable to receive maternal
36 breast milk or participate in breast feeding or whose mother is
37 medically or physically unable to produce maternal breast milk in
38 sufficient quantities or participate in breast feeding despite optimal
39 lactation support; or
- 40 (4) a licensed medical practitioner has issued an order for an
41 infant who meets any of the following conditions:
- 42 (a) a body weight below healthy levels determined by the
43 licensed medical practitioner;
- 44 (b) a congenital or acquired condition that places the infant at a
45 high risk for development of necrotizing enterocolitis; or
- 46 (c) a congenital or acquired condition that may benefit from the
47 use of donor breast milk as determined by the Department of
48 Health¹.

1 b. The provisions of this section shall apply to those medical
2 service corporation contracts in which the medical service
3 corporation has reserved the right to change the premium.

4 ¹c. Nothing in this section shall preclude the medical service
5 corporation from performing utilization review, including periodic
6 review of the medical necessity of a particular service.

7 d. The benefits shall be provided to the same extent as for any
8 other prescribed items under the contract.

9 e. If there is no supply of human breast milk that meets the
10 requirements of paragraph (2) of subsection a. of this section, the
11 medical service corporation shall not be required to provide
12 coverage of expenses pursuant to this section.¹

13

14 3. a. A health service corporation contract that provides hospital
15 or medical expense benefits and is delivered, issued, executed or
16 renewed in this State, or approved for issuance or renewal in this
17 State by the Commissioner of Banking and Insurance, on or after
18 the effective date of this act, shall provide coverage for expenses
19 incurred in the provision of ¹pasteurized¹ donated human breast
20 milk ¹, which may include human milk fortifiers if indicated by the
21 prescribing licensed medical practitioner,¹ provided that:

22 (1) the covered person is an infant under the age of six months;

23 (2) ¹【a physician prescribes the milk for the covered person; and

24 (3) ¹】¹ the milk is obtained from a human milk bank that meets
25 quality guidelines established by the ¹【Human Milk Banking
26 Association of North America, or that is licensed by the ¹】¹
27 Department of Health ¹; and

28 (3) a licensed medical practitioner has issued an order for an
29 infant who is medically or physically unable to receive maternal
30 breast milk or participate in breast feeding or whose mother is
31 medically or physically unable to produce maternal breast milk in
32 sufficient quantities or participate in breast feeding despite optimal
33 lactation support; or

34 (4) a licensed medical practitioner has issued an order for an
35 infant who meets any of the following conditions:

36 (a) a body weight below healthy levels determined by the
37 licensed medical practitioner;

38 (b) a congenital or acquired condition that places the infant at a
39 high risk for development of necrotizing enterocolitis; or

40 (c) a congenital or acquired condition that may benefit from the
41 use of donor breast milk as determined by the Department of
42 Health¹.

43 b. The provisions of this section shall apply to those health
44 service corporation contracts in which the health service
45 corporation has reserved the right to change the premium.

46 ¹c. Nothing in this section shall preclude the health service
47 corporation from performing utilization review, including periodic
48 review of the medical necessity of a particular service.

1 d. The benefits shall be provided to the same extent as for any
2 other prescribed items under the contract.

3 e. If there is no supply of human breast milk that meets the
4 requirements of paragraph (2) of subsection a. of this section, the
5 health service corporation shall not be required to provide coverage
6 of expenses pursuant to this section.¹

7
8 4. a. An individual health insurance policy that provides
9 hospital or medical expense benefits and is delivered, issued,
10 executed or renewed in this State, or approved for issuance or
11 renewal in this State by the Commissioner of Banking and
12 Insurance, on or after the effective date of this act, shall provide
13 coverage for expenses incurred in the provision of ¹pasteurized¹
14 donated human breast milk ¹, which may include human milk
15 fortifiers if indicated by the prescribing licensed medical
16 practitioner,¹ provided that:

17 (1) the covered person is an infant under the age of six months;

18 (2) ¹[a physician prescribes the milk for the covered person; and

19 (3)]¹ the milk is obtained from a human milk bank that meets
20 quality guidelines established by the ¹[Human Milk Banking
21 Association of North America, or that is licensed by the]¹
22 Department of Health ¹; and

23 (3) a licensed medical practitioner has issued an order for an
24 infant who is medically or physically unable to receive maternal
25 breast milk or participate in breast feeding or whose mother is
26 medically or physically unable to produce maternal breast milk in
27 sufficient quantities or participate in breast feeding despite optimal
28 lactation support; or

29 (4) a licensed medical practitioner has issued an order for an
30 infant who meets any of the following conditions:

31 (a) a body weight below healthy levels determined by the
32 licensed medical practitioner;

33 (b) a congenital or acquired condition that places the infant at a
34 high risk for development of necrotizing enterocolitis; or

35 (c) a congenital or acquired condition that may benefit from the
36 use of donor breast milk as determined by the Department of
37 Health¹.

38 b. The provisions of this section shall apply to those policies in
39 which the insurer has reserved the right to change the premium.

40 ¹c. Nothing in this section shall preclude the insurer from
41 performing utilization review, including periodic review of the
42 medical necessity of a particular service.

43 d. The benefits shall be provided to the same extent as for any
44 other prescribed items under the policy.

45 e. If there is no supply of human breast milk that meets the
46 requirements of paragraph (2) of subsection a. of this section, the
47 insurer shall not be required to provide coverage of expenses
48 pursuant to this section.¹

1 5. a. A group health insurance policy that provides hospital or
2 medical expense benefits and is delivered, issued, executed or
3 renewed in this State, or approved for issuance or renewal in this
4 State by the Commissioner of Banking and Insurance, on or after
5 the effective date of this act, shall provide coverage for expenses
6 incurred in the provision of 'pasteurized' donated human breast
7 milk ¹, which may include human milk fortifiers if indicated by the
8 prescribing licensed medical practitioner.¹ provided that:

9 (1) the covered person is an infant under the age of six months;

10 (2) ¹[a physician prescribes the milk for the covered person; and

11 (3)]¹ the milk is obtained from a human milk bank that meets
12 quality guidelines established by the ¹[Human Milk Banking
13 Association of North America, or that is licensed by the]¹
14 Department of Health ¹; and

15 (3) a licensed medical practitioner has issued an order for an
16 infant who is medically or physically unable to receive maternal
17 breast milk or participate in breast feeding or whose mother is
18 medically or physically unable to produce maternal breast milk in
19 sufficient quantities or participate in breast feeding despite optimal
20 lactation support; or

21 (4) a licensed medical practitioner has issued an order for an
22 infant who meets any of the following conditions:

23 (a) a body weight below healthy levels determined by the
24 licensed medical practitioner;

25 (b) a congenital or acquired condition that places the infant at a
26 high risk for development of necrotizing enterocolitis; or

27 (c) a congenital or acquired condition that may benefit from the
28 use of donor breast milk as determined by the Department of
29 Health¹.

30 b. The provisions of this section shall apply to those policies in
31 which the insurer has reserved the right to change the premium.

32 ¹c. Nothing in this section shall preclude the insurer from
33 performing utilization review, including periodic review of the
34 medical necessity of a particular service.

35 d. The benefits shall be provided to the same extent as for any
36 other prescribed items under the policy.

37 e. If there is no supply of human breast milk that meets the
38 requirements of paragraph (2) of subsection a. of this section, the
39 insurer shall not be required to provide coverage of expenses
40 pursuant to this section.¹

41
42 6. a. An individual health benefits plan that provides hospital or
43 medical expense benefits and is delivered, issued, executed or
44 renewed in this State, or approved for issuance or renewal in this
45 State by the Commissioner of Banking and Insurance, on or after
46 the effective date of this act, shall provide coverage for expenses
47 incurred in the provision of 'pasteurized' donated human breast

1 milk¹, which may include human milk fortifiers if indicated by the
2 prescribing licensed medical practitioner,¹ provided that:

3 (1) the covered person is an infant under the age of six months;

4 (2) ¹[a physician prescribes the milk for the covered person; and

5 (3)]¹ the milk is obtained from a human milk bank that meets
6 quality guidelines established by the ¹[Human Milk Banking
7 Association of North America, or that is licensed by the]¹
8 Department of Health¹; and

9 (3) a licensed medical practitioner has issued an order for an
10 infant who is medically or physically unable to receive maternal
11 breast milk or participate in breast feeding or whose mother is
12 medically or physically unable to produce maternal breast milk in
13 sufficient quantities or participate in breast feeding despite optimal
14 lactation support; or

15 (4) a licensed medical practitioner has issued an order for an
16 infant who meets any of the following conditions:

17 (a) a body weight below healthy levels determined by the
18 licensed medical practitioner;

19 (b) a congenital or acquired condition that places the infant at a
20 high risk for development of necrotizing enterocolitis; or

21 (c) a congenital or acquired condition that may benefit from the
22 use of donor breast milk as determined by the Department of
23 Health¹.

24 b. The provisions of this section shall apply to those individual
25 health benefits plans in which the carrier has reserved the right to
26 change the premium.

27 ¹c. Nothing in this section shall preclude the carrier from
28 performing utilization review, including periodic review of the
29 medical necessity of a particular service.

30 d. The benefits shall be provided to the same extent as for any
31 other prescribed items under the plan.

32 e. If there is no supply of human breast milk that meets the
33 requirements of paragraph (2) of subsection a. of this section, the
34 carrier shall not be required to provide coverage of expenses
35 pursuant to this section.¹

36
37 7. a. A small employer health benefits plan that provides
38 hospital or medical expense benefits and is delivered, issued,
39 executed or renewed in this State, or approved for issuance or
40 renewal in this State by the Commissioner of Banking and
41 Insurance, on or after the effective date of this act, shall provide
42 coverage for expenses incurred in the provision of ¹pasteurized¹
43 donated human breast milk¹, which may include human milk
44 fortifiers if indicated by the prescribing licensed medical
45 practitioner,¹ provided that:

46 (1) the covered person is an infant under the age of six months;

47 (2) ¹[a physician prescribes the milk for the covered person; and

- 1 (3)]¹ the milk is obtained from a human milk bank that meets
2 quality guidelines established by the ¹[Human Milk Banking
3 Association of North America, or that is licensed by the]¹
4 Department of Health ¹; and
- 5 (3) a licensed medical practitioner has issued an order for an
6 infant who is medically or physically unable to receive maternal
7 breast milk or participate in breast feeding or whose mother is
8 medically or physically unable to produce maternal breast milk in
9 sufficient quantities or participate in breast feeding despite optimal
10 lactation support; or
- 11 (4) a licensed medical practitioner has issued an order for an
12 infant who meets any of the following conditions:
- 13 (a) a body weight below healthy levels determined by the
14 licensed medical practitioner;
- 15 (b) a congenital or acquired condition that places the infant at a
16 high risk for development of necrotizing enterocolitis; or
- 17 (c) a congenital or acquired condition that may benefit from the
18 use of donor breast milk as determined by the Department of
19 Health¹.
- 20 b. The provisions of this section shall apply to those small
21 employer health benefits plans in which the carrier has reserved the
22 right to change the premium.
- 23 ¹c. Nothing in this section shall preclude the carrier from
24 performing utilization review, including periodic review of the
25 medical necessity of a particular service.
- 26 d. The benefits shall be provided to the same extent as for any
27 other prescribed items under the plan.
- 28 e. If there is no supply of human breast milk that meets the
29 requirements of paragraph (2) of subsection a. of this section, the
30 carrier shall not be required to provide coverage of expenses
31 pursuant to this section.¹
- 32
- 33 8. a. A health maintenance organization contract that provides
34 hospital or medical expense benefits and is delivered, issued,
35 executed or renewed in this State, or approved for issuance or
36 renewal in this State by the Commissioner of Banking and
37 Insurance, on or after the effective date of this act, shall provide
38 coverage for expenses incurred in the provision of ¹pasteurized¹
39 donated human breast milk ¹, which may include human milk
40 fortifiers if indicated by the prescribing licensed medical
41 practitioner,¹ provided that:
- 42 (1) the covered person is an infant under the age of six months;
43 (2) ¹[a physician prescribes the milk for the covered person; and
44 (3)]¹ the milk is obtained from a human milk bank that meets
45 quality guidelines established by the ¹[Human Milk Banking
46 Association of North America, or that is licensed by the]¹
47 Department of Health ¹; and

1 (3) a licensed medical practitioner has issued an order for an
2 infant who is medically or physically unable to receive maternal
3 breast milk or participate in breast feeding or whose mother is
4 medically or physically unable to produce maternal breast milk in
5 sufficient quantities or participate in breast feeding despite optimal
6 lactation support; or

7 (4) a licensed medical practitioner has issued an order for an
8 infant who meets any of the following conditions:

9 (a) a body weight below healthy levels determined by the
10 licensed medical practitioner;

11 (b) a congenital or acquired condition that places the infant at a
12 high risk for development of necrotizing enterocolitis; or

13 (c) a congenital or acquired condition that may benefit from the
14 use of donor breast milk as determined by the Department of
15 Health¹.

16 b. The provisions of this section shall apply to those contracts
17 for health care services by health maintenance organizations under
18 which the health maintenance organization has reserved the right to
19 change the schedule of charges.

20 ¹c. Nothing in this section shall preclude the health maintenance
21 organization from performing utilization review, including periodic
22 review of the medical necessity of a particular service.

23 d. The benefits shall be provided to the same extent as for any
24 other prescribed items under the contract.

25 e. If there is no supply of human breast milk that meets the
26 requirements of paragraph (2) of subsection a. of this section, the
27 health maintenance organization shall not be required to provide
28 coverage of expenses pursuant to this section.¹

29
30 9. ¹a.¹ The State Health Benefits Commission shall ensure that
31 every contract purchased by the commission on or after the
32 effective date of this act that provides hospital or medical expense
33 benefits shall provide coverage for expenses incurred in the
34 provision of ¹pasteurized¹ donated human breast milk¹, which may
35 include human milk fortifiers if indicated by the prescribing
36 licensed medical practitioner,¹ provided that:

37 (1) the covered person is an infant under the age of six months;

38 (2) ¹【a physician prescribes the milk for the covered person; and

39 (3) ¹】¹ the milk is obtained from a human milk bank that meets
40 quality guidelines established by the ¹【Human Milk Banking
41 Association of North America, or that is licensed by the ¹】¹
42 Department of Health¹; and

43 (3) a licensed medical practitioner has issued an order for an
44 infant who is medically or physically unable to receive maternal
45 breast milk or participate in breast feeding or whose mother is
46 medically or physically unable to produce maternal breast milk in
47 sufficient quantities or participate in breast feeding despite optimal
48 lactation support; or

1 (4) a licensed medical practitioner has issued an order for an
 2 infant who meets any of the following conditions:

3 (a) a body weight below healthy levels determined by the
 4 licensed medical practitioner;

5 (b) a congenital or acquired condition that places the infant at a
 6 high risk for development of necrotizing enterocolitis; or

7 (c) a congenital or acquired condition that may benefit from the
 8 use of donor breast milk as determined by the Department of
 9 Health¹.

10 ¹b. Nothing in this section shall preclude the carrier from
 11 performing utilization review, including periodic review of the
 12 medical necessity of a particular service.

13 c. The benefits shall be provided to the same extent as for any
 14 other prescribed items under the contract.

15 d. If there is no supply of human breast milk that meets the
 16 requirements of paragraph (2) of subsection a. of this section, the
 17 carrier shall not be required to provide coverage of expenses
 18 pursuant to this section.¹

19
 20 10. ¹a.¹ The School Employees' Health Benefits Commission
 21 shall ensure that every contract purchased by the commission on or
 22 after the effective date of this act that provides hospital or medical
 23 expense benefits shall provide coverage for expenses incurred in the
 24 provision of ¹pasteurized¹ donated human breast milk ¹, which may
 25 include human milk fortifiers if indicated by the prescribing
 26 licensed medical practitioner,¹ provided that:

27 (1) the covered person is an infant under the age of six months;

28 (2) ¹【a physician prescribes the milk for the covered person; and

29 (3) ¹】the milk is obtained from a human milk bank that meets
 30 quality guidelines established by the ¹【Human Milk Banking
 31 Association of North America, or that is licensed by the ¹】¹
 32 Department of Health ¹; and

33 (3) a licensed medical practitioner has issued an order for an
 34 infant who is medically or physically unable to receive maternal
 35 breast milk or participate in breast feeding or whose mother is
 36 medically or physically unable to produce maternal breast milk in
 37 sufficient quantities or participate in breast feeding despite optimal
 38 lactation support; or

39 (4) a licensed medical practitioner has issued an order for an
 40 infant who meets any of the following conditions:

41 (a) a body weight below healthy levels determined by the
 42 licensed medical practitioner;

43 (b) a congenital or acquired condition that places the infant at a
 44 high risk for development of necrotizing enterocolitis; or

45 (c) a congenital or acquired condition that may benefit from the
 46 use of donor breast milk as determined by the Department of
 47 Health¹.

1 ¹b. Nothing in this section shall preclude the carrier from
2 performing utilization review, including periodic review of the
3 medical necessity of a particular service.

4 c. The benefits shall be provided to the same extent as for any
5 other prescribed items under the contract.

6 d. If there is no supply of human breast milk that meets the
7 requirements of paragraph (2) of subsection a. of this section, the
8 carrier shall not be required to provide coverage of expenses
9 pursuant to this section.¹

10

11 11. This act shall take effect on ¹**【the 90th day after】** January
12 1st of the year following¹ enactment

13

14

15

16

17 Requires health benefits coverage for donated human breast milk
18 under certain conditions.

SENATE, No. 2976

STATE OF NEW JERSEY 217th LEGISLATURE

INTRODUCED JANUARY 30, 2017

Sponsored by:

Senator LORETTA WEINBERG

District 37 (Bergen)

Senator M. TERESA RUIZ

District 29 (Essex)

SYNOPSIS

Requires health benefits coverage for donated human breast milk under certain conditions.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 12/19/2017)

1 AN ACT concerning health benefits coverage for donated human
2 breast milk and supplementing various parts of the statutory law.

3

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

6

7 1. a. A hospital service corporation contract that provides
8 hospital or medical expense benefits and is delivered, issued,
9 executed or renewed in this State, or approved for issuance or
10 renewal in this State by the Commissioner of Banking and
11 Insurance, on or after the effective date of this act, shall provide
12 coverage for expenses incurred in the provision of donated human
13 breast milk provided that:

14 (1) the covered person is an infant under the age of six months;

15 (2) a physician prescribes the milk for the covered person; and

16 (3) the milk is obtained from a human milk bank that meets
17 quality guidelines established by the Human Milk Banking
18 Association of North America, or that is licensed by the Department
19 of Health.

20 b. The provisions of this section shall apply to those hospital
21 service corporation contracts in which the hospital service
22 corporation has reserved the right to change the premium.

23

24 2. a. A medical service corporation contract that provides
25 hospital or medical expense benefits and is delivered, issued,
26 executed or renewed in this State, or approved for issuance or
27 renewal in this State by the Commissioner of Banking and
28 Insurance, on or after the effective date of this act, shall provide
29 coverage for expenses incurred in the provision of donated human
30 breast milk provided that:

31 (1) the covered person is an infant under the age of six months;

32 (2) a physician prescribes the milk for the covered person; and

33 (3) the milk is obtained from a human milk bank that meets
34 quality guidelines established by the Human Milk Banking
35 Association of North America, or that is licensed by the Department
36 of Health.

37 b. The provisions of this section shall apply to those medical
38 service corporation contracts in which the medical service
39 corporation has reserved the right to change the premium.

40

41 3. a. A health service corporation contract that provides hospital
42 or medical expense benefits and is delivered, issued, executed or
43 renewed in this State, or approved for issuance or renewal in this
44 State by the Commissioner of Banking and Insurance, on or after
45 the effective date of this act, shall provide coverage for expenses
46 incurred in the provision of donated human breast milk provided
47 that:

48 (1) the covered person is an infant under the age of six months;

1 (2) a physician prescribes the milk for the covered person; and

2 (3) the milk is obtained from a human milk bank that meets
3 quality guidelines established by the Human Milk Banking
4 Association of North America, or that is licensed by the Department
5 of Health.

6 b. The provisions of this section shall apply to those health
7 service corporation contracts in which the health service
8 corporation has reserved the right to change the premium.

9
10 4. a. An individual health insurance policy that provides
11 hospital or medical expense benefits and is delivered, issued,
12 executed or renewed in this State, or approved for issuance or
13 renewal in this State by the Commissioner of Banking and
14 Insurance, on or after the effective date of this act, shall provide
15 coverage for expenses incurred in the provision of donated human
16 breast milk provided that:

17 (1) the covered person is an infant under the age of six months;

18 (2) a physician prescribes the milk for the covered person; and

19 (3) the milk is obtained from a human milk bank that meets
20 quality guidelines established by the Human Milk Banking
21 Association of North America, or that is licensed by the Department
22 of Health.

23 b. The provisions of this section shall apply to those policies in
24 which the insurer has reserved the right to change the premium.

25
26 5. a. A group health insurance policy that provides hospital or
27 medical expense benefits and is delivered, issued, executed or
28 renewed in this State, or approved for issuance or renewal in this
29 State by the Commissioner of Banking and Insurance, on or after
30 the effective date of this act, shall provide coverage for expenses
31 incurred in the provision of donated human breast milk provided
32 that:

33 (1) the covered person is an infant under the age of six months;

34 (2) a physician prescribes the milk for the covered person; and

35 (3) the milk is obtained from a human milk bank that meets
36 quality guidelines established by the Human Milk Banking
37 Association of North America, or that is licensed by the Department
38 of Health.

39 b. The provisions of this section shall apply to those policies in
40 which the insurer has reserved the right to change the premium.

41
42 6. a. An individual health benefits plan that provides hospital or
43 medical expense benefits and is delivered, issued, executed or
44 renewed in this State, or approved for issuance or renewal in this
45 State by the Commissioner of Banking and Insurance, on or after
46 the effective date of this act, shall provide coverage for expenses
47 incurred in the provision of donated human breast milk provided
48 that:

1 (1) the covered person is an infant under the age of six months;
2 (2) a physician prescribes the milk for the covered person; and
3 (3) the milk is obtained from a human milk bank that meets
4 quality guidelines established by the Human Milk Banking
5 Association of North America, or that is licensed by the Department
6 of Health.

7 b. The provisions of this section shall apply to those individual
8 health benefits plans in which the carrier has reserved the right to
9 change the premium.

10

11 7. a. A small employer health benefits plan that provides
12 hospital or medical expense benefits and is delivered, issued,
13 executed or renewed in this State, or approved for issuance or
14 renewal in this State by the Commissioner of Banking and
15 Insurance, on or after the effective date of this act, shall provide
16 coverage for expenses incurred in the provision of donated human
17 breast milk provided that:

18 (1) the covered person is an infant under the age of six months;
19 (2) a physician prescribes the milk for the covered person; and
20 (3) the milk is obtained from a human milk bank that meets
21 quality guidelines established by the Human Milk Banking
22 Association of North America, or that is licensed by the Department
23 of Health.

24 b. The provisions of this section shall apply to those small
25 employer health benefits plans in which the carrier has reserved the
26 right to change the premium.

27

28 8. a. A health maintenance organization contract that provides
29 hospital or medical expense benefits and is delivered, issued,
30 executed or renewed in this State, or approved for issuance or
31 renewal in this State by the Commissioner of Banking and
32 Insurance, on or after the effective date of this act, shall provide
33 coverage for expenses incurred in the provision of donated human
34 breast milk provided that:

35 (1) the covered person is an infant under the age of six months;
36 (2) a physician prescribes the milk for the covered person; and
37 (3) the milk is obtained from a human milk bank that meets
38 quality guidelines established by the Human Milk Banking
39 Association of North America, or that is licensed by the Department
40 of Health.

41 b. The provisions of this section shall apply to those contracts
42 for health care services by health maintenance organizations under
43 which the health maintenance organization has reserved the right to
44 change the schedule of charges.

45

46 9. The State Health Benefits Commission shall ensure that
47 every contract purchased by the commission on or after the
48 effective date of this act that provides hospital or medical expense

1 benefits shall provide coverage for expenses incurred in the
2 provision of donated human breast milk provided that:

- 3 (1) the covered person is an infant under the age of six months;
4 (2) a physician prescribes the milk for the covered person; and
5 (3) the milk is obtained from a human milk bank that meets
6 quality guidelines established by the Human Milk Banking
7 Association of North America, or that is licensed by the Department
8 of Health.

9
10 10. The School Employees' Health Benefits Commission shall
11 ensure that every contract purchased by the commission on or after
12 the effective date of this act that provides hospital or medical
13 expense benefits shall provide coverage for expenses incurred in the
14 provision of donated human breast milk provided that:

- 15 (1) the covered person is an infant under the age of six months;
16 (2) a physician prescribes the milk for the covered person; and
17 (3) the milk is obtained from a human milk bank that meets
18 quality guidelines established by the Human Milk Banking
19 Association of North America, or that is licensed by the Department
20 of Health.

21
22 11. This act shall take effect on the 90th day after enactment.
23
24

25 STATEMENT
26

27 This bill requires health insurers (health, hospital and medical
28 service corporations, commercial individual and group health
29 insurers; health maintenance organizations, health benefits plans
30 issued pursuant to the New Jersey Individual Health Coverage and
31 Small Employer Health Benefits Programs, the State Health
32 Benefits Program, and the School Employees' Health Benefits
33 Program) to provide health benefits coverage for any expenses
34 incurred in the provision of donated human breast milk provided
35 that:

- 36 (1) the covered person is an infant under the age of six months;
37 (2) a physician prescribes the milk for the covered person; and
38 (3) the milk is obtained from a human milk bank that meets
39 quality guidelines established by the Human Milk Banking
40 Association of North America, or that is licensed by the Department
41 of Health.

42 The Human Milk Banking Association of North America is a
43 national professional organization that supports non-profit human
44 milk banking. It works to ensure the quality of human milk banks
45 through the establishment of mandatory guidelines and periodic
46 inspections of human milk banks.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 2976

with committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 18, 2017

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 2976, with committee amendments.

As amended, this bill requires health insurers (health, hospital and medical service corporations, commercial individual and group health insurers; health maintenance organizations, health benefits plans issued pursuant to the New Jersey Individual Health Coverage and Small Employer Health Benefits Programs, the State Health Benefits Program, and the School Employees' Health Benefits Program) to provide health benefits coverage for expenses incurred in the provision of pasteurized donated human breast milk (including human milk fortifiers under certain circumstances) provided that:

(1) the covered person is an infant under the age of six months;

(2) the milk is obtained from a human milk bank that meets quality guidelines established by the Department of Health; *and*

(3) a licensed medical practitioner has issued an order for an infant who is medically or physically unable to receive maternal breast milk or participate in breast feeding or whose mother is medically or physically unable to produce maternal breast milk in sufficient quantities or participate in breast feeding despite optimal lactation support; *or*

(4) a licensed medical practitioner has issued an order for an infant that meets any of the following conditions:

(a) a body weight below healthy levels determined by the licensed medical practitioner;

(b) a congenital or acquired condition that places the infant at a high risk for development of necrotizing enterocolitis; *or*

(c) a congenital or acquired condition that may benefit from the use of donor breast milk as determined by the Department of Health.

The bill clarifies that it does not preclude insurance carriers from performing utilization review, including periodic review of the medical necessity of a particular service. The bill further clarifies that the benefits provided pursuant to the bill are to be provided to the same extent as for any other prescribed items under the insurance policy or plan.

The bill provides that if there is no supply of human breast milk that meets the requirements of the bill, the insurance carrier is not required to provide coverage of expenses pursuant to the bill.

The bill is scheduled to take effect on January 1st of the year following enactment.

COMMITTEE AMENDMENTS:

The amendments limit the required health benefits coverage for donated human breast milk to donated human breast milk that has been pasteurized, and provide for coverage to include human milk fortifiers in certain instances.

The amendments revise the conditions that must be met for the health benefits coverage to apply:

- (1) the covered person is an infant under the age of six months;
- (2) the milk is obtained from a human milk bank that meets quality guidelines established by the Department of Health; *and*
- (3) a licensed medical practitioner has issued an order for an infant who is medically or physically unable to receive maternal breast milk or participate in breast feeding or whose mother is medically or physically unable to produce maternal breast milk in sufficient quantities or participate in breast feeding despite optimal lactation support; *or*
- (4) a licensed medical practitioner has issued an order for an infant that meets any of the following conditions:
 - (a) a body weight below healthy levels determined by the licensed medical practitioner;
 - (b) a congenital or acquired condition that places the infant at a high risk for development of necrotizing enterocolitis; *or*
 - (c) a congenital or acquired condition that may benefit from the use of donor breast milk as determined by the Department of Health.

The amendments clarify that the bill does not preclude insurance carriers from performing utilization review, including periodic review of the medical necessity of a particular service. The amendments further clarify that the benefits provided pursuant to the bill are to be provided to the same extent as for any other prescribed items under the insurance policy or plan.

The amendments provide that if there is no supply of human breast milk that meets the requirements of the bill, the insurance carrier is not required to provide coverage of expenses pursuant to the bill.

The amendments change the effective date of the bill from the 90th day after enactment to January 1st of the year following enactment.

FISCAL IMPACT:

According to bill comments made during the discussion of the bill at the October 2015 Pension and Health Benefits Review Commission meeting, this bill will increase annual costs to the State Health Benefits Program and the School Employees' Health Benefits Program by \$4.3 million to provide health benefits coverage for donated human breast milk under certain conditions as required.

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

SENATE, No. 2976

STATE OF NEW JERSEY 217th LEGISLATURE

DATED: DECEMBER 26, 2017

SUMMARY

- Synopsis:** Requires health benefits coverage for donated human breast milk under certain conditions.
- Type of Impact:** State and local expenditure increase
- Agencies Affected:** Division of Pensions and Benefits, Department of the Treasury; local boards of education; local government entities.

Office of Legislative Services Estimate

Fiscal Impact	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>
State Cost	Indeterminate increase - See comments below		
Local Cost	Indeterminate increase - See comments below		

- According to bill comments made during the discussion of the bill at the October 2015 Pension and Health Benefits Review Commission meeting, this bill will increase annual costs to the State Health Benefits Program (SHBP) and the School Employees' Health Benefits Program (SEHBP) by \$4.3 million to provide health benefits coverage for donated human breast milk under certain conditions as required. No data is available to the Office of Legislative Services (OLS) with which to update this estimate.
- Local government entities not participating in the SHBP and SEHBP will also experience indeterminate annual cost increases. No data is available with which to estimate the amount of increase.

BILL DESCRIPTION

Senate Bill No. 2976 (1R) of 2016 requires health insurers (health, hospital and medical service corporations, commercial individual and group health insurers; health maintenance organizations, health benefits plans issued pursuant to the New Jersey Individual Health Coverage and Small Employer Health Benefits Programs, the SHBP, and the SEHBP) to provide

health benefits coverage for any expenses incurred in the provision of pasteurized donated human breast milk, which may include human milk fortifiers if indicated by the prescribing licensed medical provider provided that:

(1) the covered person is an infant under the age of six months;

(2) a licensed medical practitioner has issued an order for an infant who is medically or physically unable to receive maternal breast milk or participate in breast feeding or whose mother is medically or physically unable to produce maternal breast milk in sufficient quantities or participate in breast feeding despite optimal lactation support;

(3) a licensed medical practitioner has issued an order for an infant that meets any of the following conditions:

(a) a body weight below healthy levels determined by the licensed medical practitioner;

(b) a congenital or acquired condition that places the infant at a high risk for development of necrotizing enterocolitis; or

(c) a congenital or acquired condition that may benefit from the use of donor breast milk as determined by the Department of Health; and

(4) the milk is obtained from a human milk bank that meets quality guidelines established by the Department of Health.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

According to bill comments made during the discussion of the bill at the October 2015 Pension and Health Benefits Review Commission meeting, this bill will increase annual costs to the SHBP and the SEHBP by \$4.3 million to provide health benefits coverage for donated human breast milk under certain conditions as required. No data is available to the OLS with which to update this estimate.

Local government entities not participating in the SHBP and SEHBP will also experience indeterminate annual cost increases. No data is available with which to estimate the amount of increase.

Section: State Government

Analyst: Kimberly M. Clemmensen
Senior Fiscal Analyst

Approved: Frank W. Haines III
Legislative Budget and Finance Officer

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

ASSEMBLY, No. 1470

STATE OF NEW JERSEY 217th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2016 SESSION

Sponsored by:

Assemblywoman PAMELA R. LAMPITT

District 6 (Burlington and Camden)

SYNOPSIS

Requires health benefits coverage for donated human breast milk under certain conditions.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 AN ACT concerning health benefits coverage for donated human
2 breast milk and supplementing various parts of the statutory law.

3

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

6

7 1. a. A hospital service corporation contract that provides
8 hospital or medical expense benefits and is delivered, issued,
9 executed or renewed in this State, or approved for issuance or
10 renewal in this State by the Commissioner of Banking and
11 Insurance, on or after the effective date of this act, shall provide
12 coverage for expenses incurred in the provision of donated human
13 breast milk provided that:

14 (1) the covered person is an infant under the age of six months;

15 (2) a physician prescribes the milk for the covered person; and

16 (3) the milk is obtained from a human milk bank that meets
17 quality guidelines established by the Human Milk Banking
18 Association of North America, or that is licensed by the Department
19 of Health.

20 b. The provisions of this section shall apply to those hospital
21 service corporation contracts in which the hospital service
22 corporation has reserved the right to change the premium.

23

24 2. a. A medical service corporation contract that provides
25 hospital or medical expense benefits and is delivered, issued,
26 executed or renewed in this State, or approved for issuance or
27 renewal in this State by the Commissioner of Banking and
28 Insurance, on or after the effective date of this act, shall provide
29 coverage for expenses incurred in the provision of donated human
30 breast milk provided that:

31 (1) the covered person is an infant under the age of six months;

32 (2) a physician prescribes the milk for the covered person; and

33 (3) the milk is obtained from a human milk bank that meets
34 quality guidelines established by the Human Milk Banking
35 Association of North America, or that is licensed by the Department
36 of Health.

37 b. The provisions of this section shall apply to those medical
38 service corporation contracts in which the medical service
39 corporation has reserved the right to change the premium.

40

41 3. a. A health service corporation contract that provides
42 hospital or medical expense benefits and is delivered, issued,
43 executed or renewed in this State, or approved for issuance or
44 renewal in this State by the Commissioner of Banking and
45 Insurance, on or after the effective date of this act, shall provide
46 coverage for expenses incurred in the provision of donated human
47 breast milk provided that:

48 (1) the covered person is an infant under the age of six months;

1 (2) a physician prescribes the milk for the covered person; and
2 (3) the milk is obtained from a human milk bank that meets
3 quality guidelines established by the Human Milk Banking
4 Association of North America, or that is licensed by the Department
5 of Health.

6 b. The provisions of this section shall apply to those health
7 service corporation contracts in which the health service
8 corporation has reserved the right to change the premium.
9

10 4. a. An individual health insurance policy that provides
11 hospital or medical expense benefits and is delivered, issued,
12 executed or renewed in this State, or approved for issuance or
13 renewal in this State by the Commissioner of Banking and
14 Insurance, on or after the effective date of this act, shall provide
15 coverage for expenses incurred in the provision of donated human
16 breast milk provided that:

17 (1) the covered person is an infant under the age of six months;
18 (2) a physician prescribes the milk for the covered person; and
19 (3) the milk is obtained from a human milk bank that meets
20 quality guidelines established by the Human Milk Banking
21 Association of North America, or that is licensed by the Department
22 of Health.

23 b. The provisions of this section shall apply to those policies in
24 which the insurer has reserved the right to change the premium.
25

26 5. a. A group health insurance policy that provides hospital or
27 medical expense benefits and is delivered, issued, executed or
28 renewed in this State, or approved for issuance or renewal in this
29 State by the Commissioner of Banking and Insurance, on or after
30 the effective date of this act, shall provide coverage for expenses
31 incurred in the provision of donated human breast milk provided
32 that:

33 (1) the covered person is an infant under the age of six months;
34 (2) a physician prescribes the milk for the covered person; and
35 (3) the milk is obtained from a human milk bank that meets
36 quality guidelines established by the Human Milk Banking
37 Association of North America, or that is licensed by the Department
38 of Health.

39 b. The provisions of this section shall apply to those policies in
40 which the insurer has reserved the right to change the premium.
41

42 6. a. An individual health benefits plan that provides hospital
43 or medical expense benefits and is delivered, issued, executed or
44 renewed in this State, or approved for issuance or renewal in this
45 State by the Commissioner of Banking and Insurance, on or after
46 the effective date of this act, shall provide coverage for expenses
47 incurred in the provision of donated human breast milk provided
48 that:

1 (1) the covered person is an infant under the age of six months;
2 (2) a physician prescribes the milk for the covered person; and
3 (3) the milk is obtained from a human milk bank that meets
4 quality guidelines established by the Human Milk Banking
5 Association of North America, or that is licensed by the Department
6 of Health.

7 b. The provisions of this section shall apply to those individual
8 health benefits plans in which the carrier has reserved the right to
9 change the premium.

10

11 7. a. A small employer health benefits plan that provides
12 hospital or medical expense benefits and is delivered, issued,
13 executed or renewed in this State, or approved for issuance or
14 renewal in this State by the Commissioner of Banking and
15 Insurance, on or after the effective date of this act, shall provide
16 coverage for expenses incurred in the provision of donated human
17 breast milk provided that:

18 (1) the covered person is an infant under the age of six months;
19 (2) a physician prescribes the milk for the covered person; and
20 (3) the milk is obtained from a human milk bank that meets
21 quality guidelines established by the Human Milk Banking
22 Association of North America, or that is licensed by the Department
23 of Health.

24 b. The provisions of this section shall apply to those small
25 employer health benefits plans in which the carrier has reserved the
26 right to change the premium.

27

28 8. a. A health maintenance organization contract that provides
29 hospital or medical expense benefits and is delivered, issued,
30 executed or renewed in this State, or approved for issuance or
31 renewal in this State by the Commissioner of Banking and
32 Insurance, on or after the effective date of this act, shall provide
33 coverage for expenses incurred in the provision of donated human
34 breast milk provided that:

35 (1) the covered person is an infant under the age of six months;
36 (2) a physician prescribes the milk for the covered person; and
37 (3) the milk is obtained from a human milk bank that meets
38 quality guidelines established by the Human Milk Banking
39 Association of North America, or that is licensed by the Department
40 of Health.

41 b. The provisions of this section shall apply to those contracts
42 for health care services by health maintenance organizations under
43 which the health maintenance organization has reserved the right to
44 change the schedule of charges.

45

46 9. The State Health Benefits Commission shall ensure that
47 every contract purchased by the commission on or after the
48 effective date of this act that provides hospital or medical expense

1 benefits shall provide coverage for expenses incurred in the
2 provision of donated human breast milk provided that:

- 3 (1) the covered person is an infant under the age of six months;
- 4 (2) a physician prescribes the milk for the covered person; and
- 5 (3) the milk is obtained from a human milk bank that meets
6 quality guidelines established by the Human Milk Banking
7 Association of North America, or that is licensed by the Department
8 of Health.

9
10 10. The School Employees' Health Benefits Commission shall
11 ensure that every contract purchased by the commission on or after
12 the effective date of this act that provides hospital or medical
13 expense benefits shall provide coverage for expenses incurred in the
14 provision of donated human breast milk provided that:

- 15 (1) the covered person is an infant under the age of six months;
- 16 (2) a physician prescribes the milk for the covered person; and
- 17 (3) the milk is obtained from a human milk bank that meets
18 quality guidelines established by the Human Milk Banking
19 Association of North America, or that is licensed by the Department
20 of Health.

21
22 11. This act shall take effect on the 90th day after enactment.

23
24

25 STATEMENT

26
27 This bill requires health insurers (health, hospital and medical
28 service corporations, commercial individual and group health
29 insurers; health maintenance organizations, health benefits plans
30 issued pursuant to the New Jersey Individual Health Coverage and
31 Small Employer Health Benefits Programs, the State Health
32 Benefits Program, and the School Employees' Health Benefits
33 Program) to provide health benefits coverage for any expenses
34 incurred in the provision of donated human breast milk provided
35 that:

- 36 (1) the covered person is an infant under the age of six months;
- 37 (2) a physician prescribes the milk for the covered person; and
- 38 (3) the milk is obtained from a human milk bank that meets
39 quality guidelines established by the Human Milk Banking
40 Association of North America, or that is licensed by the Department
41 of Health.

42 The Human Milk Banking Association of North America is a
43 national professional organization that supports non-profit human
44 milk banking. It works to ensure the quality of human milk banks
45 through the establishment of mandatory guidelines and periodic
46 inspections of human milk banks.

ASSEMBLY FINANCIAL INSTITUTIONS AND INSURANCE
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1470

STATE OF NEW JERSEY

DATED: NOVEMBER 30, 2017

The Assembly Financial Institutions and Insurance Committee reports favorably and with committee amendments Assembly Bill No. 1470.

As amended, this bill requires health insurers (health, hospital and medical service corporations, commercial individual and group health insurers; health maintenance organizations, health benefits plans issued pursuant to the New Jersey Individual Health Coverage and Small Employer Health Benefits Programs, the State Health Benefits Program, and the School Employees' Health Benefits Program) to provide health benefits coverage for any expenses incurred in the provision of donated human breast milk provided that:

(1) the covered person is an infant under the age of six months;

(2) a licensed medical practitioner has issued an order for an infant who is medically or physically unable to receive maternal breast milk or participate in breast feeding or whose mother is medically or physically unable to produce maternal breast milk in sufficient quantities or participate in breast feeding despite optimal lactation support;

(3) a licensed medical practitioner has issued an order for an infant that meets any of the following conditions:

(a) a body weight below healthy levels determined by the licensed medical practitioner;

(b) a congenital or acquired condition that places the infant at a high risk for development of necrotizing enterocolitis; or

(c) a congenital or acquired condition that may benefit from the use of donor breast milk as determined by the Department of Health; and

(4) the milk is obtained from a human milk bank that meets quality guidelines established by the Department of Health.

This bill was pre-filed for introduction in the 2016-2017 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

COMMITTEE AMENDMENTS:

The committee amended the bill to provide that the coverage benefit is available if:

- A licensed medical practitioner, instead of a physician, has issued an order for an infant who is medically or physically unable to receive maternal breast milk or participate in breast feeding or whose mother is medically or physically unable to produce maternal breast milk in sufficient quantities or participate in breast feeding despite optimal lactation support, and that the infant's condition falls into one of three categories; and
- The milk is obtained from a human milk bank that meets the quality guidelines established by the Department of Health, instead of by the Human Milk Banking Association of North America.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, No. 1470

STATE OF NEW JERSEY

DATED: DECEMBER 18, 2017

The Assembly Appropriations Committee reports favorably an Assembly Committee Substitute for Assembly Bill No. 1470.

This Assembly Committee Substitute requires health insurers (health, hospital and medical service corporations, commercial individual and group health insurers; health maintenance organizations, health benefits plans issued pursuant to the New Jersey Individual Health Coverage and Small Employer Health Benefits Programs, the State Health Benefits Program, and the School Employees' Health Benefits Program) to provide health benefits coverage for expenses incurred in the provision of pasteurized donated human breast milk (including human milk fortifiers under certain circumstances) provided that:

- (1) the covered person is an infant under the age of six months;
- (2) the milk is obtained from a human milk bank that meets quality guidelines established by the Department of Health; *and*
- (3) a licensed medical practitioner has issued an order for an infant who is medically or physically unable to receive maternal breast milk or participate in breast feeding or whose mother is medically or physically unable to produce maternal breast milk in sufficient quantities or participate in breast feeding despite optimal lactation support; *or*
- (4) a licensed medical practitioner has issued an order for an infant that meets any of the following conditions:
 - (a) a body weight below healthy levels determined by the licensed medical practitioner;
 - (b) a congenital or acquired condition that places the infant at a high risk for development of necrotizing enterocolitis; *or*
 - (c) a congenital or acquired condition that may benefit from the use of donor breast milk as determined by the Department of Health.

The bill clarifies that it does not preclude insurance carriers from performing utilization review, including periodic review of the medical necessity of a particular service. The bill further clarifies that the benefits provided pursuant to the bill are to be provided to the same extent as for any other prescribed items under the insurance policy or plan.

The bill provides that if there is no supply of human breast milk that meets the requirements of the bill, the insurance carrier is not required to provide coverage of expenses pursuant to the bill.

The bill is scheduled to take effect on January 1st of the year following enactment.

FISCAL IMPACT:

According to bill comments made during the discussion of the bill at the October 2015 Pension and Health Benefits Review Commission meeting, this bill will increase annual costs to the State Health Benefits Program and the School Employees' Health Benefits Program by \$4.3 million to provide health benefits coverage for donated human breast milk under certain conditions as required.

LEGISLATIVE FISCAL ESTIMATE
ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, No. 1470
STATE OF NEW JERSEY
217th LEGISLATURE

DATED: JANUARY 3, 2018

SUMMARY

- Synopsis:** Requires health benefits coverage for donated human breast milk under certain conditions.
- Type of Impact:** State and local expenditure increase.
- Agencies Affected:** Division of Pensions and Benefits, Department of the Treasury; local boards of education; local government entities.

Office of Legislative Services Estimate

Fiscal Impact	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>
State Cost	Indeterminate - See comments below		
Local Cost	Indeterminate - See comments below		

- According to comments made during the discussion of a similar bill at the October 2015 Pension and Health Benefits Review Commission meeting, this bill will increase annual costs to the State Health Benefits Program (SHBP) and the School Employees' Health Benefits Program (SEHBP) by \$4.3 million to provide health benefits coverage for donated human breast milk under certain conditions as required by the bill at that time. No data is available to the Office of Legislative Services (OLS) with which to update this estimate for the provisions of this bill.
- Local government entities not participating in the SHPB or SEHBP will also experience indeterminate annual cost increases. No data is available with which to estimate the amount of increase.

BILL DESCRIPTION

This bill requires health insurers (health, hospital and medical service corporations, commercial individual and group health insurers; health maintenance organizations, health benefits plans issued pursuant to the New Jersey Individual Health Coverage and Small

Employer Health Benefits Programs, the SHBP, and the SEHBP) to provide health benefits coverage for any expenses incurred in the provision of pasteurized donated human breast milk, which may include human milk fortifiers if indicated by the prescribing licensed medical provider provided that:

(1) the covered person is an infant under the age of six months;

(2) the milk is obtained from a human milk bank that meets quality guidelines established by the Department of Health; and

(3) a licensed medical practitioner has issued an order for an infant who is medically or physically unable to receive maternal breast milk or participate in breast feeding or whose mother is medically or physically unable to produce maternal breast milk in sufficient quantities or participate in breast feeding despite optimal lactation support; or

(4) a licensed medical practitioner has issued an order for an infant who meets any of the following conditions:

(a) a body weight below healthy levels determined by the licensed medical practitioner;

(b) a congenital or acquired condition that places the infant at a high risk for development of necrotizing enterocolitis; or

(c) a congenital or acquired condition that may benefit from the use of donor breast milk as determined by the Department of Health.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

According to comments made during the discussion of a similar bill at the October 2015 Pension and Health Benefits Review Commission meeting, this bill will increase annual costs to the SHBP and the SEHBP by \$4.3 million to provide health benefits coverage for donated human breast milk under certain conditions as required by the bill at that time. No data is available to the OLS with which to update this estimate for the provisions of this bill.

Local government entities not participating in the SHPB or SEHBP will also experience indeterminate annual cost increases. No data is available with which to estimate the amount of increase.

Section: State Government

Analyst: Kimberly M. Clemmensen
Senior Fiscal Analyst

Approved: Frank W. Haines III
Legislative Budget and Finance Officer

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).