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REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES: No

LAW/RWH 6/20/08

§1 - C.17:48-6ff
§2 - C.17:48A-7cc
§3 –
C.17:48E-35.30
§4 –
C.17B:26-2.1z
§5 –
C.17B:27-46.1ff
§6 –
C.17B:27A-7.13
§7 –
C.17B:27A-19.17
§8 - C.26:2J-4.31
§9 –
C.52:14-17.29m
§10 - Note to
§§1-9

(CORRECTED COPY)

P.L. 2007, CHAPTER 345, *approved January 13, 2008*
Senate No. 502 (*First Reprint*)

1 **AN ACT** concerning health benefits coverage for orthotic and
2 prosthetic appliances; providing reimbursement therefor; and
3 supplementing various parts of the statutory law.
4

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

7
8 1. a. Every hospital service corporation contract that provides
9 hospital or medical expense benefits and is delivered, issued,
10 executed or renewed in this State pursuant to P.L.1938, c.366
11 (C.17:48-1 et seq.), or approved for issuance or renewal in this State
12 by the Commissioner of Banking and Insurance on or after the
13 effective date of this act, shall provide benefits to any person
14 covered thereunder for expenses incurred in obtaining an orthotic or
15 prosthetic appliance from any licensed orthotist or prosthetist, or
16 any certified pedorthist, as determined medically necessary by the
17 covered person's physician.

18 As used in this section, "orthotic appliance," "prosthetic
19 appliance," "licensed orthotist" and "licensed prosthetist" have the
20 meaning assigned to them in section 3 of P.L.1991, c.512
21 (C.45:12B-3) and "certified pedorthist" has the meaning assigned to
22 it in subsection j. of section 18 of P.L.1991, c.512 (C.45:12B-18).

23 b. On and after the effective date of this act, a hospital service
24 corporation contract shall reimburse for orthotic and prosthetic
25 appliances at the same rate as reimbursement for such appliances
26 under the federal Medicare reimbursement schedule.

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 SCM committee amendments adopted May 14, 2007.

1 c. The benefits shall be provided to the same extent as for any
2 other medical condition under the contract.

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

6
7 2. a. Every medical service corporation contract that provides
8 hospital or medical expense benefits and is delivered, issued,
9 executed or renewed in this State pursuant to P.L.1940, c.74
10 (C.17:48A-1 et seq.), or approved for issuance or renewal in this
11 State by the Commissioner of Banking and Insurance on or after the
12 effective date of this act, shall provide benefits to any person
13 covered thereunder for expenses incurred in obtaining an orthotic or
14 prosthetic appliance from any licensed orthotist or prosthetist, or
15 any certified pedorthist, as determined medically necessary by the
16 covered person's physician.

17 As used in this section, "orthotic appliance," "prosthetic
18 appliance," "licensed orthotist" and "licensed prosthetist" have the
19 meaning assigned to them in section 3 of P.L.1991, c.512
20 (C.45:12B-3) and "certified pedorthist" has the meaning assigned to
21 it in subsection j. of section 18 of P.L.1991, c.512 (C.45:12B-18).

22 b. On and after the effective date of this act, a medical service
23 corporation contract shall reimburse for orthotic and prosthetic
24 appliances at the same rate as reimbursement for such appliances
25 under the federal Medicare reimbursement schedule.

26 c. The benefits shall be provided to the same extent as for any
27 other medical condition under the contract.

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

31
32 3. a. Every health service corporation contract that provides
33 hospital or medical expense benefits and is delivered, issued,
34 executed or renewed in this State pursuant to P.L.1985, c.236
35 (C.17:48E-1 et seq.), or approved for issuance or renewal in this
36 State by the Commissioner of Banking and Insurance on or after the
37 effective date of this act, shall provide benefits to any person
38 covered thereunder for expenses incurred in obtaining an orthotic or
39 prosthetic appliance from any licensed orthotist or prosthetist, or
40 any certified pedorthist, as determined medically necessary by the
41 covered person's physician.

42 As used in this section, "orthotic appliance," "prosthetic
43 appliance," "licensed orthotist" and "licensed prosthetist" have the
44 meaning assigned to them in section 3 of P.L.1991, c.512
45 (C.45:12B-3) and "certified pedorthist" has the meaning assigned to
46 it in subsection j. of section 18 of P.L.1991, c.512 (C.45:12B-18).

47 b. On and after the effective date of this act, a health service
48 corporation contract shall reimburse for orthotic and prosthetic

1 appliances at the same rate as reimbursement for such appliances
2 under the federal Medicare reimbursement schedule.

3 c. The benefits shall be provided to the same extent as for any
4 other medical condition under the contract.

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

8

9 4. a. Every individual health insurance policy that provides
10 hospital or medical expense benefits and is delivered, issued,
11 executed or renewed in this State pursuant to N.J.S.17B:26-1 et
12 seq., or approved for issuance or renewal in this State by the
13 Commissioner of Banking and Insurance on or after the effective
14 date of this act, shall provide benefits to any person covered
15 thereunder for expenses incurred in obtaining an orthotic or
16 prosthetic appliance from any licensed orthotist or prosthetist, or
17 any certified pedorthist, as determined medically necessary by the
18 covered person's physician.

19 As used in this section, "orthotic appliance," "prosthetic
20 appliance," "licensed orthotist" and "licensed prosthetist" have the
21 meaning assigned to them in section 3 of P.L.1991, c.512
22 (C.45:12B-3) and "certified pedorthist" has the meaning assigned to
23 it in subsection j. of section 18 of P.L.1991, c.512 (C.45:12B-18).

24 b. On and after the effective date of this act, an individual
25 health insurance policy shall reimburse for orthotic and prosthetic
26 appliances at the same rate as reimbursement for such appliances
27 under the federal Medicare reimbursement schedule.

28 c. The benefits shall be provided to the same extent as for any
29 other medical condition under the policy.

30 d. The provisions of this section shall apply to all individual
31 health insurance policies in which the insurer has reserved the right
32 to change the premium.

33

34 5. a. Every group health insurance policy that provides
35 hospital or medical expense benefits and is delivered, issued,
36 executed or renewed in this State pursuant to N.J.S.17B:27-26 et
37 seq., or approved for issuance or renewal in this State by the
38 Commissioner of Banking and Insurance on or after the effective
39 date of this act, shall provide benefits to any person covered
40 thereunder for expenses incurred in obtaining an orthotic or
41 prosthetic appliance from any licensed orthotist or prosthetist, or
42 any certified pedorthist, as determined medically necessary by the
43 covered person's physician.

44 As used in this section, "orthotic appliance," "prosthetic
45 appliance," "licensed orthotist" and "licensed prosthetist" have the
46 meaning assigned to them in section 3 of P.L.1991, c.512
47 (C.45:12B-3) and "certified pedorthist" has the meaning assigned to
48 it in subsection j. of section 18 of P.L.1991, c.512 (C.45:12B-18).

1 b. On and after the effective date of this act, a group health
2 insurance policy shall reimburse for orthotic and prosthetic
3 appliances at the same rate as reimbursement for such appliances
4 under the federal Medicare reimbursement schedule.

5 c. The benefits shall be provided to the same extent as for any
6 other medical condition under the policy.

7 d. The provisions of this section shall apply to all group health
8 insurance policies in which the insurer has reserved the right to
9 change the premium.

10

11 6. a. Every individual health benefits plan that provides
12 hospital or medical expense benefits and is delivered, issued,
13 executed or renewed in this State pursuant to P.L.1992, c.161
14 (C.17B:27A-2 et seq.), or approved for issuance or renewal in this
15 State by the Commissioner of Banking and Insurance on or after the
16 effective date of this act, shall provide benefits to any person
17 covered thereunder for expenses incurred in obtaining an orthotic or
18 prosthetic appliance from any licensed orthotist or prosthetist, or
19 any certified pedorthist, as determined medically necessary by the
20 covered person's physician.

21 As used in this section, "orthotic appliance," "prosthetic
22 appliance," "licensed orthotist" and "licensed prosthetist" have the
23 meaning assigned to them in section 3 of P.L.1991, c.512
24 (C.45:12B-3) and "certified pedorthist" has the meaning assigned to
25 it in subsection j. of section 18 of P.L.1991, c.512 (C.45:12B-18).

26 b. On and after the effective date of this act, an individual
27 health benefits plan shall reimburse for orthotic and prosthetic
28 appliances at the same rate as reimbursement for such appliances
29 under the federal Medicare reimbursement schedule.

30 c. The benefits shall be provided to the same extent as for any
31 other medical condition under the health benefits plan.

32 d. The provisions of this section shall apply to all individual
33 health benefits plans in which the carrier has reserved the right to
34 change the premium.

35

36 7. a. Every small employer health benefits plan that provides
37 hospital or medical expense benefits and is delivered, issued,
38 executed or renewed in this State pursuant to P.L.1992, c.162
39 (C.17B:27A-17 et seq.), or approved for issuance or renewal in this
40 State by the Commissioner of Banking and Insurance on or after the
41 effective date of this act, shall provide benefits to any person
42 covered thereunder for expenses incurred in obtaining an orthotic or
43 prosthetic appliance from any licensed orthotist or prosthetist, or
44 any certified pedorthist, as determined medically necessary by the
45 covered person's physician.

46 As used in this section, "orthotic appliance," "prosthetic
47 appliance," "licensed orthotist" and "licensed prosthetist" have the
48 meaning assigned to them in section 3 of P.L.1991, c.512

1 (C.45:12B-3) and "certified pedorthist" has the meaning assigned to
2 it in subsection j. of section 18 of P.L.1991, c.512 (C.45:12B-18).

3 b. On and after the effective date of this act, a small employer
4 health benefits plan shall reimburse for orthotic and prosthetic
5 appliances at the same rate as reimbursement for such appliances
6 under the federal Medicare reimbursement schedule.

7 c. The benefits shall be provided to the same extent as for any
8 other medical condition under the health benefits plan.

9 d. The provisions of this section shall apply to all small
10 employer health benefits plans in which the carrier has reserved the
11 right to change the premium.

12

13 8. a. A certificate of authority to establish and operate a health
14 maintenance organization in this State pursuant to P.L.1973, c.337
15 (C.26:2J-1 et seq.) shall not be issued or continued by the
16 Commissioner of Health and Senior Services on or after the
17 effective date of this act unless the health maintenance organization
18 provides health care services for any person covered thereunder for
19 expenses incurred in obtaining an orthotic or prosthetic appliance
20 from any licensed orthotist or prosthetist, or any certified
21 pedorthist, as determined medically necessary by the covered
22 person's physician.

23 As used in this section, "orthotic appliance," "prosthetic
24 appliance," "licensed orthotist" and "licensed prosthetist" have the
25 meaning assigned to them in section 3 of P.L.1991, c.512
26 (C.45:12B-3) and "certified pedorthist" has the meaning assigned to
27 it in subsection j. of section 18 of P.L.1991, c.512 (C.45:12B-18).

28 b. On and after the effective date of this act, a health
29 maintenance organization shall reimburse for orthotic and prosthetic
30 appliances at the same rate as reimbursement for such appliances
31 under the federal Medicare reimbursement schedule.

32 c. The benefits shall be provided to the same extent as for any
33 other medical condition under the enrollee agreement.

34 d. The provisions of this section shall apply to all enrollee
35 agreements in which the health maintenance organization has
36 reserved the right to change the schedule of charges.

37

38 '9. The State Health Benefits Commission shall ensure that
39 every contract purchased by the commission on or after the
40 effective date of this act that provides hospital or medical expense
41 benefits, shall provide benefits to any person covered thereunder for
42 expenses incurred in obtaining an orthotic or prosthetic appliance
43 from any licensed orthotist or prosthetist, or any certified
44 pedorthist, as determined medically necessary by the covered
45 person's physician.

46 As used in this section, "orthotic appliance," "prosthetic
47 appliance," "licensed orthotist" and "licensed prosthetist" have the
48 meaning assigned to them in section 3 of P.L.1991, c.512

1 (C.45:12B-3) and "certified pedorthist" has the meaning assigned to
2 it in subsection j. of section 18 of P.L.1991, c.512 (C.45:12B-18).

3 b. On and after the effective date of this act, a contract
4 purchased by the commission shall reimburse for orthotic and
5 prosthetic appliances at the same rate as reimbursement for such
6 appliances under the federal Medicare reimbursement schedule.

7 c. The benefits shall be provided to the same extent as for any
8 other medical condition under the contract.¹

9

10 ¹[9.] 10. This act shall take effect on the 90th day after
11 enactment.

12

13

14

15

16 Requires health benefits coverage by health insurers and SHBP
17 for orthotic and prosthetic appliances and provides reimbursement
18 therefor.

SENATE, No. 502

STATE OF NEW JERSEY 212th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2006 SESSION

Sponsored by:

Senator NIA H. GILL

District 34 (Essex and Passaic)

SYNOPSIS

Requires health benefits coverage for orthotic and prosthetic appliances and provides reimbursement therefor.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel



S502 GILL

1 AN ACT concerning health benefits coverage for orthotic and
2 prosthetic appliances; providing reimbursement therefor; and
3 supplementing various parts of the statutory law.
4

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

8 1. a. Every hospital service corporation contract that provides
9 hospital or medical expense benefits and is delivered, issued,
10 executed or renewed in this State pursuant to P.L.1938, c.366
11 (C.17:48-1 et seq.), or approved for issuance or renewal in this State
12 by the Commissioner of Banking and Insurance on or after the
13 effective date of this act, shall provide benefits to any person
14 covered thereunder for expenses incurred in obtaining an orthotic or
15 prosthetic appliance from any licensed orthotist or prosthetist, or
16 any certified pedorthist, as determined medically necessary by the
17 covered person's physician.

18 As used in this section, "orthotic appliance," "prosthetic
19 appliance," "licensed orthotist" and "licensed prosthetist" have the
20 meaning assigned to them in section 3 of P.L.1991, c.512
21 (C.45:12B-3) and "certified pedorthist" has the meaning assigned to
22 it in subsection j. of section 18 of P.L.1991, c.512 (C.45:12B-18).

23 b. On and after the effective date of this act, a hospital service
24 corporation contract shall reimburse for orthotic and prosthetic
25 appliances at the same rate as reimbursement for such appliances
26 under the federal Medicare reimbursement schedule.

27 c. The benefits shall be provided to the same extent as for any
28 other medical condition under the contract.

29 d. The provisions of this section shall apply to all hospital
30 service corporation contracts in which the hospital service
31 corporation has reserved the right to change the premium.
32

33 2. a. Every medical service corporation contract that provides
34 hospital or medical expense benefits and is delivered, issued,
35 executed or renewed in this State pursuant to P.L.1940, c.74
36 (C.17:48A-1 et seq.), or approved for issuance or renewal in this
37 State by the Commissioner of Banking and Insurance on or after the
38 effective date of this act, shall provide benefits to any person
39 covered thereunder for expenses incurred in obtaining an orthotic or
40 prosthetic appliance from any licensed orthotist or prosthetist, or
41 any certified pedorthist, as determined medically necessary by the
42 covered person's physician.

43 As used in this section, "orthotic appliance," "prosthetic
44 appliance," "licensed orthotist" and "licensed prosthetist" have the
45 meaning assigned to them in section 3 of P.L.1991, c.512
46 (C.45:12B-3) and "certified pedorthist" has the meaning assigned to
47 it in subsection j. of section 18 of P.L.1991, c.512 (C.45:12B-18).

48 b. On and after the effective date of this act, a medical service

S502 GILL

1 corporation contract shall reimburse for orthotic and prosthetic
2 appliances at the same rate as reimbursement for such appliances
3 under the federal Medicare reimbursement schedule.

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

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

9
10 3. a. Every health service corporation contract that provides
11 hospital or medical expense benefits and is delivered, issued,
12 executed or renewed in this State pursuant to P.L.1985, c.236
13 (C.17:48E-1 et seq.), or approved for issuance or renewal in this
14 State by the Commissioner of Banking and Insurance on or after the
15 effective date of this act, shall provide benefits to any person
16 covered thereunder for expenses incurred in obtaining an orthotic or
17 prosthetic appliance from any licensed orthotist or prosthetist, or
18 any certified pedorthist, as determined medically necessary by the
19 covered person's physician.

20 As used in this section, "orthotic appliance," "prosthetic
21 appliance," "licensed orthotist" and "licensed prosthetist" have the
22 meaning assigned to them in section 3 of P.L.1991, c.512
23 (C.45:12B-3) and "certified pedorthist" has the meaning assigned to
24 it in subsection j. of section 18 of P.L.1991, c.512 (C.45:12B-18).

25 b. On and after the effective date of this act, a health service
26 corporation contract shall reimburse for orthotic and prosthetic
27 appliances at the same rate as reimbursement for such appliances
28 under the federal Medicare reimbursement schedule.

29 c. The benefits shall be provided to the same extent as for any
30 other medical condition under the contract.

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

34
35 4. a. Every individual health insurance policy that provides
36 hospital or medical expense benefits and is delivered, issued,
37 executed or renewed in this State pursuant to N.J.S.17B:26-1 et
38 seq., or approved for issuance or renewal in this State by the
39 Commissioner of Banking and Insurance on or after the effective
40 date of this act, shall provide benefits to any person covered
41 thereunder for expenses incurred in obtaining an orthotic or
42 prosthetic appliance from any licensed orthotist or prosthetist, or
43 any certified pedorthist, as determined medically necessary by the
44 covered person's physician.

45 As used in this section, "orthotic appliance," "prosthetic
46 appliance," "licensed orthotist" and "licensed prosthetist" have the
47 meaning assigned to them in section 3 of P.L.1991, c.512
48 (C.45:12B-3) and "certified pedorthist" has the meaning assigned to

S502 GILL

1 it in subsection j. of section 18 of P.L.1991, c.512 (C.45:12B-18).
2 b. On and after the effective date of this act, an individual health
3 insurance policy shall reimburse for orthotic and prosthetic
4 appliances at the same rate as reimbursement for such appliances
5 under the federal Medicare reimbursement schedule.
6 c. The benefits shall be provided to the same extent as for any
7 other medical condition under the policy.
8 d. The provisions of this section shall apply to all individual
9 health insurance policies in which the insurer has reserved the right
10 to change the premium.
11
12 5. a. Every group health insurance policy that provides hospital
13 or medical expense benefits and is delivered, issued, executed or
14 renewed in this State pursuant to N.J.S.17B:27-26 et seq., or
15 approved for issuance or renewal in this State by the Commissioner
16 of Banking and Insurance on or after the effective date of this act,
17 shall provide benefits to any person covered thereunder for
18 expenses incurred in obtaining an orthotic or prosthetic appliance
19 from any licensed orthotist or prosthetist, or any certified
20 pedorthist, as determined medically necessary by the covered
21 person's physician.
22 As used in this section, "orthotic appliance," "prosthetic
23 appliance," "licensed orthotist" and "licensed prosthetist" have the
24 meaning assigned to them in section 3 of P.L.1991, c.512
25 (C.45:12B-3) and "certified pedorthist" has the meaning assigned to
26 it in subsection j. of section 18 of P.L.1991, c.512 (C.45:12B-18).
27 b. On and after the effective date of this act, a group health
28 insurance policy shall reimburse for orthotic and prosthetic
29 appliances at the same rate as reimbursement for such appliances
30 under the federal Medicare reimbursement schedule.
31 c. The benefits shall be provided to the same extent as for any
32 other medical condition under the policy.
33 d. The provisions of this section shall apply to all group health
34 insurance policies in which the insurer has reserved the right to
35 change the premium.
36
37 6. a. Every individual health benefits plan that provides hospital
38 or medical expense benefits and is delivered, issued, executed or
39 renewed in this State pursuant to P.L.1992, c.161 (C.17B:27A-2 et
40 seq.), or approved for issuance or renewal in this State by the
41 Commissioner of Banking and Insurance on or after the effective
42 date of this act, shall provide benefits to any person covered
43 thereunder for expenses incurred in obtaining an orthotic or
44 prosthetic appliance from any licensed orthotist or prosthetist, or
45 any certified pedorthist, as determined medically necessary by the
46 covered person's physician.
47 As used in this section, "orthotic appliance," "prosthetic
48 appliance," "licensed orthotist" and "licensed prosthetist" have the

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1 meaning assigned to them in section 3 of P.L.1991, c.512
2 (C.45:12B-3) and "certified pedorthist" has the meaning assigned to
3 it in subsection j. of section 18 of P.L.1991, c.512 (C.45:12B-18).

4 b. On and after the effective date of this act, an individual health
5 benefits plan shall reimburse for orthotic and prosthetic appliances
6 at the same rate as reimbursement for such appliances under the
7 federal Medicare reimbursement schedule.

8 c. The benefits shall be provided to the same extent as for any
9 other medical condition under the health benefits plan.

10 d. The provisions of this section shall apply to all individual
11 health benefits plans in which the carrier has reserved the right to
12 change the premium.

13

14 7. a. Every small employer health benefits plan that provides
15 hospital or medical expense benefits and is delivered, issued,
16 executed or renewed in this State pursuant to P.L.1992, c.162
17 (C.17B:27A-17 et seq.), or approved for issuance or renewal in this
18 State by the Commissioner of Banking and Insurance on or after the
19 effective date of this act, shall provide benefits to any person
20 covered thereunder for expenses incurred in obtaining an orthotic or
21 prosthetic appliance from any licensed orthotist or prosthetist, or
22 any certified pedorthist, as determined medically necessary by the
23 covered person's physician.

24 As used in this section, "orthotic appliance," "prosthetic
25 appliance," "licensed orthotist" and "licensed prosthetist" have the
26 meaning assigned to them in section 3 of P.L.1991, c.512
27 (C.45:12B-3) and "certified pedorthist" has the meaning assigned to
28 it in subsection j. of section 18 of P.L.1991, c.512 (C.45:12B-18).

29 b. On and after the effective date of this act, a small employer
30 health benefits plan shall reimburse for orthotic and prosthetic
31 appliances at the same rate as reimbursement for such appliances
32 under the federal Medicare reimbursement schedule.

33 c. The benefits shall be provided to the same extent as for any
34 other medical condition under the health benefits plan.

35 d. The provisions of this section shall apply to all small
36 employer health benefits plans in which the carrier has reserved the
37 right to change the premium.

38

39 8. a. A certificate of authority to establish and operate a health
40 maintenance organization in this State pursuant to P.L.1973, c.337
41 (C.26:2J-1 et seq.) shall not be issued or continued by the
42 Commissioner of Health and Senior Services on or after the
43 effective date of this act unless the health maintenance organization
44 provides health care services for any person covered thereunder for
45 expenses incurred in obtaining an orthotic or prosthetic appliance
46 from any licensed orthotist or prosthetist, or any certified
47 pedorthist, as determined medically necessary by the covered
48 person's physician.

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6

1 As used in this section, "orthotic appliance," "prosthetic
2 appliance," "licensed orthotist" and "licensed prosthetist" have the
3 meaning assigned to them in section 3 of P.L.1991, c.512
4 (C.45:12B-3) and "certified pedorthist" has the meaning assigned to
5 it in subsection j. of section 18 of P.L.1991, c.512 (C.45:12B-18).

6 b. On and after the effective date of this act, a health
7 maintenance organization shall reimburse for orthotic and prosthetic
8 appliances at the same rate as reimbursement for such appliances
9 under the federal Medicare reimbursement schedule.

10 c. The benefits shall be provided to the same extent as for any
11 other medical condition under the enrollee agreement.

12 d. The provisions of this section shall apply to all enrollee
13 agreements in which the health maintenance organization has
14 reserved the right to change the schedule of charges.

15

16 9. This act shall take effect on the 90th day after enactment.

17

18

19

STATEMENT

20

21 This bill requires health insurers, including health, hospital and
22 medical service corporations; commercial individual and group
23 health insurers; health maintenance organizations; and health
24 benefits plans issued pursuant to the New Jersey Individual Health
25 Coverage (IHC) and Small Employer Health Benefits Programs
26 (SEH) to provide health benefits coverage for expenses incurred in
27 obtaining an orthotic or prosthetic appliance from any licensed
28 orthotist or prosthetist, or any certified pedorthist, as determined
29 medically necessary by the covered person's physician.

30 The bill requires health insurers, on and after the bill's effective
31 date, to reimburse for these benefits at the same rate as
32 reimbursement for orthotic and prosthetic appliances under the
33 federal Medicare reimbursement schedule.

SENATE COMMERCE COMMITTEE

STATEMENT TO

SENATE, No. 502

with committee amendments

STATE OF NEW JERSEY

DATED: MAY 14, 2007

The Senate Commerce Committee reports favorably and with committee amendments Senate Bill No. 502.

This bill, as amended, requires health insurers, including health, hospital and medical service corporations, commercial individual and group health insurers, health maintenance organizations, and health benefits plans issued pursuant to the New Jersey Individual Health Coverage (IHC) and Small Employer Health Benefits (SEH) Programs, and the State Health Benefits Program (SHBP), to provide health benefits coverage for expenses incurred in obtaining an orthotic or prosthetic appliance from any licensed orthotist or prosthetist, or any certified pedorthist, as determined medically necessary by the covered person's physician.

The bill requires health insurers and the SHBP to reimburse for the orthotic and prosthetic appliances at the same rate as reimbursement for such appliances under the federal Medicare reimbursement schedule.

The committee amendments to the bill:

- require the State Health Benefits Commission to ensure that every contract purchased by the commission providing hospital or medical expense benefits shall provide the orthotic and prosthetic benefits in the same manner as required of other health insurers as set forth in the bill.

This bill was pre-filed for introduction in the 2006-2007 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

SENATE, No. 502

STATE OF NEW JERSEY

DATED: DECEMBER 10, 2007

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 502 (1R).

The bill requires health insurers, including health, hospital and medical service corporations, commercial individual and group health insurers, health maintenance organizations, and health benefits plans issued pursuant to the New Jersey Individual Health Coverage (IHC) and Small Employer Health Benefits (SEH) Programs, and the State Health Benefits Program (SHBP), to provide health benefits coverage for expenses incurred in obtaining an orthotic or prosthetic appliance from any licensed orthotist or prosthetist, or any certified pedorthist, as determined medically necessary by the covered person's physician.

The bill requires health insurers and the SHBP to reimburse for the orthotic and prosthetic appliances at the same rate as reimbursement for such appliances under the federal Medicare reimbursement schedule.

FISCAL IMPACT:

This bill is not certified for a fiscal note.

ASSEMBLY, No. 1011

STATE OF NEW JERSEY

212th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2006 SESSION

Sponsored by:

Assemblyman VINCENT PRIETO

District 32 (Bergen and Hudson)

Assemblyman BRIAN P. STACK

District 33 (Hudson)

Assemblyman NEIL M. COHEN

District 20 (Union)

Assemblyman MICHAEL J. PANTER

District 12 (Mercer and Monmouth)

Co-Sponsored by:

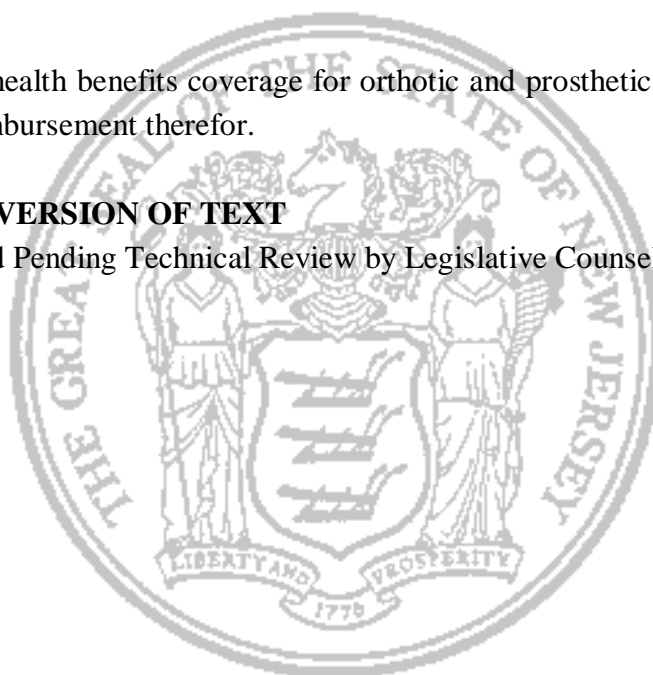
**Assemblymen Scalera, Conners, Conaway, McKeon, Diegnan, Chivukula
and Albano**

SYNOPSIS

Requires health benefits coverage for orthotic and prosthetic appliances and provides reimbursement therefor.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel



(Sponsorship Updated As Of: 3/3/2006)

1 AN ACT concerning health benefits coverage for orthotic and
2 prosthetic appliances; providing reimbursement therefor; and
3 supplementing various parts of the statutory law.
4

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

8 1. a. Every hospital service corporation contract that provides
9 hospital or medical expense benefits and is delivered, issued,
10 executed or renewed in this State pursuant to P.L.1938, c.366
11 (C.17:48-1 et seq.), or approved for issuance or renewal in this State
12 by the Commissioner of Banking and Insurance on or after the
13 effective date of this act, shall provide benefits to any person
14 covered thereunder for expenses incurred in obtaining an orthotic or
15 prosthetic appliance from any licensed orthotist or prosthetist, or
16 any certified pedorthist, as determined medically necessary by the
17 covered person's physician.

18 As used in this section, "orthotic appliance," "prosthetic
19 appliance," "licensed orthotist" and "licensed prosthetist" have the
20 meaning assigned to them in section 3 of P.L.1991, c.512
21 (C.45:12B-3) and "certified pedorthist" has the meaning assigned to
22 it in subsection j. of section 18 of P.L.1991, c.512 (C.45:12B-18).

23 b. On and after the effective date of this act, a hospital service
24 corporation contract shall reimburse for orthotic and prosthetic
25 appliances at the same rate as reimbursement for such appliances
26 under the federal Medicare reimbursement schedule.

27 c. The benefits shall be provided to the same extent as for any
28 other medical condition under the contract.

29 d. The provisions of this section shall apply to all hospital
30 service corporation contracts in which the hospital service
31 corporation has reserved the right to change the premium.
32

33 2. a. Every medical service corporation contract that provides
34 hospital or medical expense benefits and is delivered, issued,
35 executed or renewed in this State pursuant to P.L.1940, c.74
36 (C.17:48A-1 et seq.), or approved for issuance or renewal in this
37 State by the Commissioner of Banking and Insurance on or after the
38 effective date of this act, shall provide benefits to any person
39 covered thereunder for expenses incurred in obtaining an orthotic or
40 prosthetic appliance from any licensed orthotist or prosthetist, or
41 any certified pedorthist, as determined medically necessary by the
42 covered person's physician.

43 As used in this section, "orthotic appliance," "prosthetic
44 appliance," "licensed orthotist" and "licensed prosthetist" have the
45 meaning assigned to them in section 3 of P.L.1991, c.512
46 (C.45:12B-3) and "certified pedorthist" has the meaning assigned to
47 it in subsection j. of section 18 of P.L.1991, c.512 (C.45:12B-18).

48 b. On and after the effective date of this act, a medical service

1 corporation contract shall reimburse for orthotic and prosthetic
2 appliances at the same rate as reimbursement for such appliances
3 under the federal Medicare reimbursement schedule.

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

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

9
10 3. a. Every health service corporation contract that provides
11 hospital or medical expense benefits and is delivered, issued,
12 executed or renewed in this State pursuant to P.L.1985, c.236
13 (C.17:48E-1 et seq.), or approved for issuance or renewal in this
14 State by the Commissioner of Banking and Insurance on or after the
15 effective date of this act, shall provide benefits to any person
16 covered thereunder for expenses incurred in obtaining an orthotic or
17 prosthetic appliance from any licensed orthotist or prosthetist, or
18 any certified pedorthist, as determined medically necessary by the
19 covered person's physician.

20 As used in this section, "orthotic appliance," "prosthetic
21 appliance," "licensed orthotist" and "licensed prosthetist" have the
22 meaning assigned to them in section 3 of P.L.1991, c.512
23 (C.45:12B-3) and "certified pedorthist" has the meaning assigned to
24 it in subsection j. of section 18 of P.L.1991, c.512 (C.45:12B-18).

25 b. On and after the effective date of this act, a health service
26 corporation contract shall reimburse for orthotic and prosthetic
27 appliances at the same rate as reimbursement for such appliances
28 under the federal Medicare reimbursement schedule.

29 c. The benefits shall be provided to the same extent as for any
30 other medical condition under the contract.

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

34
35 4. a. Every individual health insurance policy that provides
36 hospital or medical expense benefits and is delivered, issued,
37 executed or renewed in this State pursuant to N.J.S.17B:26-1 et
38 seq., or approved for issuance or renewal in this State by the
39 Commissioner of Banking and Insurance on or after the effective
40 date of this act, shall provide benefits to any person covered
41 thereunder for expenses incurred in obtaining an orthotic or
42 prosthetic appliance from any licensed orthotist or prosthetist, or
43 any certified pedorthist, as determined medically necessary by the
44 covered person's physician.

45 As used in this section, "orthotic appliance," "prosthetic
46 appliance," "licensed orthotist" and "licensed prosthetist" have the
47 meaning assigned to them in section 3 of P.L.1991, c.512
48 (C.45:12B-3) and "certified pedorthist" has the meaning assigned to

1 it in subsection j. of section 18 of P.L.1991, c.512 (C.45:12B-18).
2 b. On and after the effective date of this act, an individual health
3 insurance policy shall reimburse for orthotic and prosthetic
4 appliances at the same rate as reimbursement for such appliances
5 under the federal Medicare reimbursement schedule.
6 c. The benefits shall be provided to the same extent as for any
7 other medical condition under the policy.
8 d. The provisions of this section shall apply to all individual
9 health insurance policies in which the insurer has reserved the right
10 to change the premium.
11
12 5. a. Every group health insurance policy that provides hospital
13 or medical expense benefits and is delivered, issued, executed or
14 renewed in this State pursuant to N.J.S.17B:27-26 et seq., or
15 approved for issuance or renewal in this State by the Commissioner
16 of Banking and Insurance on or after the effective date of this act,
17 shall provide benefits to any person covered thereunder for
18 expenses incurred in obtaining an orthotic or prosthetic appliance
19 from any licensed orthotist or prosthetist, or any certified
20 pedorthist, as determined medically necessary by the covered
21 person's physician.
22 As used in this section, "orthotic appliance," "prosthetic
23 appliance," "licensed orthotist" and "licensed prosthetist" have the
24 meaning assigned to them in section 3 of P.L.1991, c.512
25 (C.45:12B-3) and "certified pedorthist" has the meaning assigned to
26 it in subsection j. of section 18 of P.L.1991, c.512 (C.45:12B-18).
27 b. On and after the effective date of this act, a group health
28 insurance policy shall reimburse for orthotic and prosthetic
29 appliances at the same rate as reimbursement for such appliances
30 under the federal Medicare reimbursement schedule.
31 c. The benefits shall be provided to the same extent as for any
32 other medical condition under the policy.
33 d. The provisions of this section shall apply to all group health
34 insurance policies in which the insurer has reserved the right to
35 change the premium.
36
37 6. a. Every individual health benefits plan that provides hospital
38 or medical expense benefits and is delivered, issued, executed or
39 renewed in this State pursuant to P.L.1992, c.161 (C.17B:27A-2 et
40 seq.), or approved for issuance or renewal in this State by the
41 Commissioner of Banking and Insurance on or after the effective
42 date of this act, shall provide benefits to any person covered
43 thereunder for expenses incurred in obtaining an orthotic or
44 prosthetic appliance from any licensed orthotist or prosthetist, or
45 any certified pedorthist, as determined medically necessary by the
46 covered person's physician.
47 As used in this section, "orthotic appliance," "prosthetic
48 appliance," "licensed orthotist" and "licensed prosthetist" have the

1 meaning assigned to them in section 3 of P.L.1991, c.512
2 (C.45:12B-3) and "certified pedorthist" has the meaning assigned to
3 it in subsection j. of section 18 of P.L.1991, c.512 (C.45:12B-18).

4 b. On and after the effective date of this act, an individual health
5 benefits plan shall reimburse for orthotic and prosthetic appliances
6 at the same rate as reimbursement for such appliances under the
7 federal Medicare reimbursement schedule.

8 c. The benefits shall be provided to the same extent as for any
9 other medical condition under the health benefits plan.

10 d. The provisions of this section shall apply to all individual
11 health benefits plans in which the carrier has reserved the right to
12 change the premium.

13

14 7. a. Every small employer health benefits plan that provides
15 hospital or medical expense benefits and is delivered, issued,
16 executed or renewed in this State pursuant to P.L.1992, c.162
17 (C.17B:27A-17 et seq.), or approved for issuance or renewal in this
18 State by the Commissioner of Banking and Insurance on or after the
19 effective date of this act, shall provide benefits to any person
20 covered thereunder for expenses incurred in obtaining an orthotic or
21 prosthetic appliance from any licensed orthotist or prosthetist, or
22 any certified pedorthist, as determined medically necessary by the
23 covered person's physician.

24 As used in this section, "orthotic appliance," "prosthetic
25 appliance," "licensed orthotist" and "licensed prosthetist" have the
26 meaning assigned to them in section 3 of P.L.1991, c.512
27 (C.45:12B-3) and "certified pedorthist" has the meaning assigned to
28 it in subsection j. of section 18 of P.L.1991, c.512 (C.45:12B-18).

29 b. On and after the effective date of this act, a small employer
30 health benefits plan shall reimburse for orthotic and prosthetic
31 appliances at the same rate as reimbursement for such appliances
32 under the federal Medicare reimbursement schedule.

33 c. The benefits shall be provided to the same extent as for any
34 other medical condition under the health benefits plan.

35 d. The provisions of this section shall apply to all small
36 employer health benefits plans in which the carrier has reserved the
37 right to change the premium.

38

39 8. a. A certificate of authority to establish and operate a health
40 maintenance organization in this State pursuant to P.L.1973, c.337
41 (C.26:2J-1 et seq.) shall not be issued or continued by the
42 Commissioner of Health and Senior Services on or after the
43 effective date of this act unless the health maintenance organization
44 provides health care services for any person covered thereunder for
45 expenses incurred in obtaining an orthotic or prosthetic appliance
46 from any licensed orthotist or prosthetist, or any certified
47 pedorthist, as determined medically necessary by the covered
48 person's physician.

- 1 As used in this section, "orthotic appliance," "prosthetic
2 appliance," "licensed orthotist" and "licensed prosthetist" have the
3 meaning assigned to them in section 3 of P.L.1991, c.512
4 (C.45:12B-3) and "certified pedorthist" has the meaning assigned to
5 it in subsection j. of section 18 of P.L.1991, c.512 (C.45:12B-18).
- 6 b. On and after the effective date of this act, a health
7 maintenance organization shall reimburse for orthotic and prosthetic
8 appliances at the same rate as reimbursement for such appliances
9 under the federal Medicare reimbursement schedule.
- 10 c. The benefits shall be provided to the same extent as for any
11 other medical condition under the enrollee agreement.
- 12 d. The provisions of this section shall apply to all enrollee
13 agreements in which the health maintenance organization has
14 reserved the right to change the schedule of charges.
- 15
- 16 9. This act shall take effect on the 90th day after enactment.
- 17
- 18

19 STATEMENT

20

- 21 This bill requires health insurers, including health, hospital and
22 medical service corporations; commercial individual and group
23 health insurers; health maintenance organizations; and health
24 benefits plans issued pursuant to the New Jersey Individual Health
25 Coverage (IHC) and Small Employer Health Benefits Programs
26 (SEH) to provide health benefits coverage for expenses incurred in
27 obtaining an orthotic or prosthetic appliance from any licensed
28 orthotist or prosthetist, or any certified pedorthist, as determined
29 medically necessary by the covered person's physician.
- 30 The bill requires health insurers, on and after the bill's effective
31 date, to reimburse for these benefits at the same rate as
32 reimbursement for orthotic and prosthetic appliances under the
33 federal Medicare reimbursement schedule.

ASSEMBLY FINANCIAL INSTITUTIONS AND INSURANCE
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1011

STATE OF NEW JERSEY

DATED: JUNE 12, 2006

The Assembly Financial Institutions and Insurance Committee reports favorably Assembly Bill No.1011.

This bill requires health insurers, including health, hospital and medical service corporations; commercial individual and group health insurers; health maintenance organizations; and health benefits plans issued pursuant to the New Jersey Individual Health Coverage (IHC) and Small Employer Health Benefits (SEH) Programs to provide health benefits coverage for expenses incurred in obtaining an orthotic or prosthetic appliance from any licensed orthotist or prosthetist, or any certified pedorthist, as determined medically necessary by the covered person's physician. The benefits shall be provided to the same extent as for any other medical condition under the health benefits plan.

The bill requires health insurers, on and after the bill's effective date, to reimburse for these benefits at the same rate as reimbursement for orthotic and prosthetic appliances under the federal Medicare reimbursement schedule.

This bill was pre-filed for introduction in the 2006-2007 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

STATEMENT TO
ASSEMBLY, No. 1011

with Assembly Floor Amendments
(Proposed By Assemblyman PRIETO)

ADOPTED: JANUARY 7, 2008

These amendments require the State Health Benefits Commission to ensure that every contract purchased by the commission providing hospital or medical expense benefits shall provide orthotic and prosthetic benefits at the same rate as reimbursement for such appliances under the federal Medicare reimbursement schedule, in the same manner as required of other health insurers as set forth in the bill.

Jan-15-08 Governor Corzine Takes Action on Legislation

NEWS RELEASE

Governor Jon S. Corzine
January 15, 2008

FOR MORE INFORMATION:

Press Office
609-777-2600

GOVERNOR CORZINE TAKES ACTION ON LEGISLATION

TRENTON- Governor Jon S. Corzine signed the following bills into law on Sunday, January 13, with related statements:

S-502/A-1011 w/Statement (Gill/Prieto, Stack, Cohen, Panter) - Requires health benefits coverage by health insurers and SHBP for orthotic and prosthetic appliances and provides reimbursement therefore.

"I commend the sponsors of Senate Bill No. 502 (First Reprint), which I signed today, for recognizing the importance of making sure that persons in need of orthotic or prosthetic appliances obtain them.

"While I have signed this measure in light of the critical nature of the issue for persons who need these appliances, I do have several concerns about elements of the bill which would have led me to conditionally veto the bill had it been presented to me in other circumstances. First, I have a general concern with bills that mandate specific insurance coverage. These bills deal piecemeal with issues of cost and coverage that might better be addressed more comprehensively. In that regard, I commend the work of the New Jersey Mandated Health Insurance Advisory Commission, and I will continue to read its reports with interest.

"In addition, I am concerned that the bill will be read as deviating from standard practice in the health care delivery system by precluding utilization review, which is designed to ensure the medical necessity for such appliances and thereby prevent unnecessary costs. Accordingly, I have asked the Departments of Health and Senior Services and Human Services to periodically review the utilization of orthotic or prosthetic appliances statewide to ensure that those who need such devices obtain them and that the public is bearing no unnecessary costs.

"Finally, I am concerned that the bill sets the reimbursement level for these services at that set by Medicare. While I appreciate the importance of assuring that these appliances are readily available for those who require them, I am

concerned that this aspect of the bill will limit insurers' ability to negotiate price reductions under circumstances that will not reduce access. Accordingly, I am requesting the Departments of Health and Senior Services and Human Services, consulting with the Department of Banking and Insurance, to monitor the effects of this aspect of the bill and report periodically to me."

S-3043/A-4666 w/Statement (Codey, Rice/Pou) - "Urban Transit Hub Tax Credit Act"; allows tax credits to certain businesses for certain capital investments in urban transit hubs.

"Senate Bill No. 3043 (First Reprint), which I approved today, establishes a new tax credit program to spur new capital investment and increased employment in targeted urban rail transit hubs and to catalyze economic development in those areas. The bill supports the revitalization of New Jersey's urban centers by leveraging valuable transit assets that provide a strong foundation for economic growth, while encouraging increased transit ridership.

"This bill provides one more tool to promote economic development in the State. I intend that the bill will serve as a model for our economic development efforts by focusing our resources on targeted, well-defined areas with express job-creation requirements. Because I believe this approach can work in other areas as well, I am asking the Office of Economic Growth to work with the Legislature and craft similar approaches for other appropriate areas in the State."

ACS for A-3572/SCS for SCS for SS for S-554 w/Statement (Gusciora, Barnes, McKeon, Chivukula, Gordon/B.Smith) - "Electronic Waste Recycling Act."

"Assembly Committee Substitute for Assembly Bill No. 3572, which I signed today, establishes a new program for the disposal of electronic devices, including televisions, computers, and related components and subcomponents in New Jersey.

"I commend the sponsors of this bill for putting forward legislation that is designed to address a significant and growing problem, both in New Jersey and nationally. The type of waste generated by televisions and computers, while relatively small in volume, accounts for a significant percentage of this nation's toxic waste. The electronic waste stream that will be required to be recycled

under this bill can contain significant and dangerous levels of a wide variety of materials, including lead, mercury, cadmium, and PCBs.

"In signing this bill, I am cognizant of its impact on a variety of manufacturers, both situated in New Jersey and located elsewhere. It is my understanding and expectation that technical concerns with this legislation, which I would have addressed through a conditional veto had that option been available, will be addressed in the coming session. Notwithstanding these concerns, I know the sponsors share with me a desire not only to move forward on this difficult issue but also to ensure fairness and equity in the application and administration of this important environmental initiative. In this connection, I have asked the Department of Environmental Protection to work with this bill's sponsors in order to further craft and refine this measure."

A-4314/S-2123 w/Statement (Wisniewski, Stack, Vas/Coniglio) - Establishes pilot program for traffic control signal monitoring system.

"Assembly Bill No. 4314 (Second Reprint), which I approved today, establishes a pilot program for traffic control signal monitoring systems. Supporters of this measure point to research showing that traffic control monitoring systems have been successfully employed in numerous other jurisdictions around the country. Many local officials in New Jersey, particularly mayors of our largest municipalities, believe these systems will help reduce traffic accidents at dangerous intersections.

"In light of this support, I believe that it is appropriate to initiate this pilot program to determine the extent to which these systems advance public safety. In doing so, however, I believe that it is important that this be done in a fashion that allows us to assess its value. In particular, I believe that the test should be whether these systems reduce traffic accidents rather than whether they generate local revenue from fines and penalties.

"To that end, I have asked the Commissioner of Transportation to implement the program in a careful and deliberate manner. It is appropriate that implementation be undertaken in a staged fashion so that the number of jurisdictions that utilize these systems may be limited at the outset until we have further information to assess their utility. In addition, I expect that that the

Commissioner of Transportation will evaluate the effectiveness of these systems on a periodic basis and include the status of such evaluations in the annual reports he will be submitting. Finally, I have asked the Commissioner to develop the program so that appropriate action can be taken in the event that operation of the system no longer serves to promote public safety."

Governor Corzine signed the following bills into law on Monday, January 14, with statements:

S-507/A-2730 w/Statement (Gill/Gusciora) - Requires mandatory audit of election results in randomly selected election districts.

"Today, I am signing into law this measure because it furthers the public confidence in the accuracy and conduct of our election process. There is no more important element in our democratic system than the integrity of our elections, and I wholeheartedly support the establishment of an audit team to review the accuracy and conduct of elections in the state. This law contains many critical elements, including (a) that the audit team include independent individuals and professionals capable of ensuring an appropriate statistical approach, (b) that the audits cover federal and statewide elections as well as a selected number of county and municipal elections, and (c) that the audits not prevent or compromise the ability of candidates or other applicant from requesting a recount.

"While I firmly believe that this measure is intended to and will further the integrity of our election system, I do have a number of concerns which I will work with the legislative leadership and sponsors to address, and which would have led me to conditionally veto the bill had it been presented to me in other circumstances. Most significantly, I believe it is important to review the most appropriate method of sampling and selection of election districts to best realize the purposes of election auditing. While cost is not a determinative factor here, it is important that we expend our resources in those races where there is the greatest need to review the integrity of the electoral process. To this end, it will be important to assess whether the approach undertaken by this measure requires sampling at a level that exceeds what is necessary to provide confidence in the electoral result. Finally, it appears that further refinement may

be appropriate to ensure that the audit process can be completed in a timely fashion and not cause problems related to the certification of election results.

"In raising these concerns, I note that no other state has provided an independent audit team with the level of responsibilities and expectations set forth in this legislation. Given that New Jersey will be the first to do so, it is particularly appropriate that we commit to reexamining the approach taken in this legislation, and I will work with the Legislature to do so after we have had an opportunity to learn from the experience of the audit team in at least one statewide primary and general election. In this regard, I also observe that in light of my recent signing of Senate Bill No. 2949 (First Reprint) the deadline for the State to provide voting machines that shall produce an individual permanent paper record for each vote cast has been extended until June 3, 2008, and thus the application of this measure is unlikely to be possible at least until that date.

"Again, I applaud the sponsors and the Legislature for their commitment to ensuring public confidence in the integrity of the electoral process and look forward to working with them to ensure that New Jersey is a leader in this area."

A-2135/S-2748 w/Statement (Cohen/Scutari, Gill) - Increases judicial salaries and prosecutors' salaries.

"Assembly Bill No. 2135 (First Reprint), which I signed today, represents the completion of a three-step increase in judicial salaries that first began with provisions of the FY 2008 Appropriations Act, which was approved last year. Under the legislation I signed today, judicial salaries would increase by five percent effective January 1, 2008, and five percent effective January 1, 2009.

"The bill also would have the effect of increasing the salaries of Administrative Law Judges, Workers' Compensation Judges, and County Sheriffs, Clerks, Surrogates, and Registers of Deeds and Mortgages because the salaries of these officials are statutorily set at a percentage of the salary of a Judge of the Superior Court. This bill also would increase the annual salaries of County Prosecutors. Those salaries would increase from \$141,000 to \$153,000 effective January 1, 2008, and to \$165,000 effective January 1, 2009.

"I support increasing judicial salaries and commend the Legislature for approving an increase in those salaries. As noted in the recent report of the Public Officers Salary Review Commission, which is the statutory body created to study these issues every four years and which recommended an increase in judicial salaries, this increase is vital to ensuring the continued exceptional quality of our Judiciary and the retention of our experienced judges.

"I also recognize that we need to attract and retain high quality professionals to serve as County Prosecutors. Though the additional cost of the salary increase for County Prosecutors is relatively modest, I am concerned that this salary increase will create greater unfairness in the overall compensation structure for State and local government. I note that County Prosecutors now will have salaries that exceed those of State government cabinet officers, including the Attorney General, who is charged under statute with oversight of County Prosecutor offices. This salary differential has the potential over time of making it more difficult to attract and retain high quality prosecutors to serve in the Division of Criminal Justice. I would have tried to address this problem through a conditional veto had circumstances permitted that approach.

"Along with the problem of salary differential among similarly situated officials is the problem created by the fact that salaries of cabinet-level and sub-cabinet officials have remained unchanged for five years. This issue is undermining the stability of leadership of the cabinet departments of State government. We should be addressing this problem, and we would be addressing it now were it not for the financial emergency now confronting State government.

"In the interim, with regard to the specific issues facing the Department of Law and Public Safety, I have asked the Attorney General to work with the Department of the Treasury to develop appropriate recommendations to address those issues."

Governor Corzine signed the following bill on Tuesday, January 15:

S-2040/A-3280 (Sarlo, Sweeney/Cryan, Gregg) - Provides for special licenses to serve alcoholic beverages to smart growth development projects; allows for sale of certain plenary retail consumption licenses for use in such projects.

In addition, Governor Corzine decided not to sign the following bills, which are therefore pocket vetoed, and issued related statements:

SCS for S-176/AS for A-1511 (Doria, Scutari/Oliver, Greenstein, Cruz-Perez, Bramnick) - **POCKET VETO** - Expands wrongful death act to allow recovery for mental anguish, emotional pain and suffering, loss of society and loss of companionship.

"I am filing Senate Committee Substitute for Senate Bill No. 176 in the Division of Archives and Records Management without my approval.

"Under the provisions of Article V, Section I, Paragraph 14 of the Constitution, this bill, which was passed within 10 days preceding the expiration of the second legislative year, does not become law because it was not signed prior to the seventh day following such expiration. In this circumstance, there is no provision for the return of a bill to the Legislature for reconsideration, but I deem it to be in the public interest to state my reasons for deciding not to sign this bill.

"Senate Committee Substitute for Senate Bill No. 176 would expand the types of damages allowed in wrongful death actions beyond "pecuniary" losses to include injuries resulting from 'mental anguish, emotional pain and suffering, loss of society and loss of companionship.'"

"I commend the sponsors for recognizing the need to ensure that the lives of minors, parents who do not work outside the home, and the elderly are not significantly undervalued by a system that limits an individual's worth to his or her financial contribution to the family. On the other hand, unlimited damages based on emotional anguish or pain and suffering could have a significant impact on state and local budgets, since government entities are not infrequently named as defendants in wrongful death suits, and there are similar concerns as the State undertakes efforts to attract and grow businesses here.

"Unfortunately, I do not believe that this bill in its current form strikes a fair balance that would avoid using a strict monetary valuation of a person's life while also addressing the adverse effect of allowing unlimited and unpredictable damages.

"I encourage the Legislature to promptly revisit this important issue. Further, I recommend that the Legislature consider alternative means of striking an appropriate balance, especially by granting more flexibility for courts to reduce excessive non-pecuniary damage awards and defining non-pecuniary damages less expansively.

"Accordingly, I must file Senate Committee Substitute for Senate Bill No. 176 without my approval."

A-3153/S-2209 (Schaer, Scalera/Sarlo) - **POCKET VETO** - Provides certain law enforcement officers cannot be suspended without pay for more than 120 calendar days.

"I am filing Assembly Bill No. 3153 (Third Reprint) in the Division of Archives and Records Management without my approval.

Under the provisions of Article V, Section I, Paragraph 14 of the Constitution, this bill, which was passed within 10 days preceding the expiration of the second legislative year, does not become law because it was not signed prior to the seventh day following such expiration. In this circumstance, there is no provision for the return of a bill to the Legislature for reconsideration, but I deem it to be in the public interest to state my reasons for deciding not to sign this bill.

"This bill would require State and local government agencies to pay salary to certain law enforcement officers and paid firefighters in their employ who have been suspended pending a determination of disciplinary charges against them after certain time periods have passed. Specifically, the bill would require such payment of salary to begin 181 days after the charge resulting in suspension. It further would require repayment from an employee against whom a charge was sustained. Moreover, the 180-day time period would be tolled during any period of postponement that occurs at the request of an employee covered by the bill.

"I certainly understand and agree with the intent of the sponsors of this bill, which is to ensure that law enforcement officers and paid firefighters do not suffer severe financial hardship or dire economic consequences due to the loss of their regular salary during the sometimes lengthy period of time required to determine disciplinary charges that ultimately were dismissed. I also agree that

the procedures currently in place for resolving these cases must be changed to reduce median processing times that in some cases now total nearly two years, and I am committed to working to bring about those changes.

"However, I also understand that cases in which a law enforcement officer or firefighter has been suspended without pay generally involve serious matters with serious implications for the employer and the career of the officer or firefighter. For these reasons, these cases legitimately require sufficient time in order for the appropriate outcome to be reached. I believe that imposition of the 180-day deadline called for in this bill would make it far more difficult to arrive at an appropriate resolution given the complexity of these matters and the stakes involved. I would support legislation that creates a more workable and realistic deadline, such as 365 days."

A-4393/S-2878 (Wisniewski, Cohen/Adler) - **POCKET VETO** - Requires certain public contract bid advertisements to contain certified cost estimates or estimate ranges of projected contract costs and specifies grounds for rejection of all bids.

"I am filing Assembly Bill No. 4393 (Second Reprint) in the Division of Archives and Records Management without my approval.

"Under the provisions of Article V, Section I, Paragraph 14 of the Constitution, this bill, which was passed within 10 days preceding the expiration of the second legislative year, does not become law because it was not signed prior to the seventh day following such expiration. In this circumstance, there is no provision for the return of a bill to the Legislature for reconsideration, but I deem it to be in the public interest to state my reasons for deciding not to sign this bill.

"Assembly Bill No. 4393 would make significant changes to the current statutes governing the contracting process for public construction projects. While the bill has many strong proponents, it has generated a significant volume of passionate opposition from a broad spectrum of State and local government officials, entities, and organizations. These include, but are by no means limited to, the State Comptroller, the Attorney General, the League of Municipalities, the Association of Counties, the Governmental Purchasing Association of New Jersey, and many dozens of counties, municipalities, colleges, universities, school

districts, and other entities that passed resolutions or contacted my office to express serious concerns about this bill.

"While I generally support the sponsors' goals of making our public contracting processes more efficient and transparent, I am advised that this bill, as currently drafted, includes apparent technical errors and other flaws that I have no opportunity to address by way of a conditional veto because the bill was not passed by either House of the 212th Legislature until the last voting session. It is my hope that the proponents of similar future legislation will be willing to work in coordination with the Office of State Comptroller and the Division of Local Government Services in the Department of Community Affairs, as well as with affected public entities and their representatives, to craft an appropriate bill that addresses the concerns that motivated this bill while avoiding the problems associated with this bill.

"Accordingly, I must file Assembly Bill No. 4393 (Second Reprint) without my approval."