

A STUDY OF NEW JERSEY SENATE BILL 3919

REQUIRES HEALTH BENEFITS COVERAGE FOR
ADDITIONAL PROSTHETIC APPLIANCE UNDER
CERTAIN CIRCUMSTANCES

Report to the New Jersey Senate

May 10, 2024

Mandated Health Benefits Advisory Commission



Table of Contents

Introduction..... 1

Social Impact2

Medical Evidence2

Other States.....2

Discussion.....6

Financial Impact.....6

Conclusion8

Endnotes.....9

Appendix I Senate Bill No. 3919

Appendix II Review Request for Senate Bill No. 3919

INTRODUCTION

The Mandated Health Benefits Advisory Commission (MHBAC, the Commission) has been asked to review S3919 (see Appendix I for a copy of the legislation), a bill that requires health insurers (hospital, medical, and health service corporations, commercial individual, small employer, and large group insurers, health maintenance organizations, the State Health Benefits Program (SHBP), and the School Employees' Health Benefits Program (SEHBP)) to provide health benefits coverage for an additional orthotic or prosthetic appliance or device¹ under certain circumstances. The bill does not apply to Medicaid.

Specifically, S3919 would revise a current coverage mandate for orthotic and prosthetic appliances under New Jersey statutory law to require health insurers to cover an additional orthotic or prosthetic appliance from any licensed orthotist or prosthetist, or any certified pedorthist, if the covered person's physician determines that the additional appliance is necessary to enable the covered person to engage in physical and recreational activities, including running, bicycling, swimming, climbing, skiing, snowboarding, and team and individual sports. The bill does not change the provisions in the current law that require orthotic and prosthetic appliances to be covered without utilization management and be reimbursed at the same rate as under the Medicare reimbursement schedule.

The Mandated Health Benefits Advisory Commission Act (N.J.S.A.17B:27D-1 et seq.) tasks the Commission with providing an independent analysis of the social, medical, and financial impact of proposed legislation referred to it for review. The Act does not ask the Commission to recommend whether or not to enact the legislation, and the Commission does not do so here. The MHBAC prepared this report using its own resources, including staff from the New Jersey Department of Banking and Insurance. Commission members contributed their professional expertise -- on a voluntary basis -- in helping to shape the presentation of this report, analyzing published research, and drafting and editing its various sections. The MHBAC has sought to include information from a number of reputable sources that it found credible but recognizes that opinions and analyses may differ.

The bill that is the subject of this review amends previously enacted legislation, [P.L. 2007, c.345](#), which initially established a coverage mandate for orthotics and prosthetics. This Commission issued two reports related to these mandates. The first [report](#) was issued on March 18, 2005. The second [report](#) was issued on April 6, 2006.

¹ Orthotics and prosthetics are related but different types of devices, both of which can assist with mobility issues. Orthotic devices are devices designed to help individuals with problems or deficiencies in using their limbs or other body parts. Examples of orthotics include spine, wrist, knee, and ankle braces, as well as other braces and supports. Prosthetic devices are artificial replacements for a missing body part, such as an artificial limb.

SOCIAL IMPACT

The Amputee Coalition reports that there are nearly 4 million Americans living with limb loss or limb differenceⁱ and roughly 185,000 amputations are performed in the U.S. each year.ⁱⁱ African Americans are up to four times more likely to experience amputation than White Americans. Among diabetics who have had a lower extremity amputation, approximately 55% will require amputation of the other leg within 3 years.

Most current insurance coverage for orthotic and prosthetic devices is for limited applications, such as walking-specific mobility. Recreational orthotic and prosthetic devices -- orthotic and prosthetic appliances specifically designed for activities such as running, swimming, and biking are not typically covered.ⁱⁱⁱ As a recent study stated, “Recreating with walking-specific devices...has been shown to fail under the strain of recreation and to cause long term physical and behavioral negative side effects.”^{iv} Another source reported on a study that found that people with disabilities who are physically active are more likely to be employed and advance in their careers, and have better physical and mental health than those who are inactive.^v

MEDICAL EVIDENCE

The Centers for Disease Control and Prevention (CDC) found that U.S. adults with disabilities were three times more likely to have heart disease, stroke, diabetes, and cancer than adults without disabilities. The CDC reported that, while physical activity could help reduce the impact of these chronic diseases, nearly half of all adults with disabilities engage in no leisure time aerobic physical activity.^{vi} Among all those with disabilities, adults with mobility limitations were the least likely to engage in any aerobic activity, with nearly 60% not getting any aerobic activity.^{vii} The CDC also found that children and adults with mobility limitations were at greater risk for obesity.^{viii} The challenges to those with a disability being more physically active included pain and a lack of accessible environments where they could enjoy recreation and exercise. The lack of affordable access to recreational orthotic and prosthetic devices is another. The CDC also found that adults with disabilities were 82% more likely to be physically active if their doctor recommended it.^{ix}

OTHER STATES

The Veterans Administration and the Department of Defense provide access to orthotic and prosthetic devices designed for physical activity to active-duty military members and retired veterans.^x In 2022, Maine became the first state to enact legislation mandating insurance coverage for recreational orthotic and prosthetic devices for children aged 18 and younger. That success resulted in advocacy groups coming together to work to expand insurance coverage for

these devices for children and young adults on a state-by-state basis. This policy and advocacy initiative, called So Kids Can Move, seeks to bring greater attention to its position that access to these recreational orthotic and prosthetic devices is an essential component of “medically necessary healthcare for children and young adults,”^{xi} rather than an unnecessary use of resources. The So Kids Can Move initiative is a collaboration of the Amputee Coalition, an amputee support group, along with a number of orthotic and prosthetic provider groups, including the American Orthotic and Prosthetic Association (AOPA), the National Association for the Advancement of Orthotics and Prosthetics (NAAOP), and the American Academy of Orthotists and Prosthetists (AAOP).

Five states, including Maine, have enacted laws expanding insurance coverage for recreational orthotic and prosthetic devices. In 2023, legislation was introduced in four other states that would mandate expanded insurance coverage. Information on these nine states is presented in Tables 1 and 2.

Table 1. States with Laws Mandating Insurance Coverage for Recreational Orthotic and Prosthetic Devices

States with Enacted Laws			
State	Bill Number	Specifics	Status
Arkansas	HB 1252	Coverage regardless of age for amputees with K-3 and K-4 activity levels*; specifically allows for prior authorization and medical necessity reviews; sets a minimum rate of 80% of Medicare; covers replacements and repairs, subject to certain restrictions.	Enacted 4/13/23
Colorado	HB 1136	Coverage regardless of age and without utilization management; coverage applies to the large group market; coverage for the individual and small employer market is contingent on a finding that there is no state defrayment required.	Enacted 5/25/23
Illinois	SB 2195	Coverage regardless of age; specifically allows for prior authorization; coverage requirement includes repairs and replacements.	Enacted 8/7/23
Maine	LD 1003	Coverage for children 18 years of age and younger.	Enacted 5/7/22
New Mexico	HB 131	Coverage regardless of age; requires coverage and rates to be at least as generous as Medicare; coverage requirement includes repairs and replacements; requires carries to use “the most recent version of treatment and fit criteria as recognized by relevant clinical specialists or their organizations” when performing utilization review; prohibits use of spending limits or lifetime restrictions.	Enacted 4/7/23

Table 2. States with Pending Legislation that would Mandating Insurance Coverage for Recreational Orthotic and Prosthetic Devices

State	Bill Number	Specifics
Indiana	HB 1433	Coverage for children 18 years of age and younger in Medicaid; requires coverage for replacements under various circumstances; allows managed care entities to determine the appropriate model that meets the enrollee’s needs and a second model that maximizes the enrollee’s ability to do recreational activities.
Massachusetts	H.4096	Coverage regardless of age in the commercial markets, the state public employee plan and Medicaid; coverage requirement includes repairs and replacements.
Minnesota	HF 3339/ SF 3351	Coverage regardless of age; requires coverage for repair and replacement; coverage restrictions only allowed if they are otherwise generally applicable to covered benefits under the plan; authorizes utilization review using “the most recent version of treatment and fit criteria as recognized by relevant clinical specialists.”
New Hampshire	SB 177	Coverage for children 18 years of age and younger in large group plans; requires coverage for repairs and replacements; allows an insurer to limit coverage for activity-specific prosthetic devices to one activity-specific prosthetic device per plan year; does not apply to plans available through the Small Business Health Options Program (SHOP).

Source: Whitney Doyle and Ryan Geddie, “So Every Body Can Move,” Presentation of the Amputee Coalition. Accessed 12/12/23. [So_Every_BODY_Can_Move_Presentation.pdf \(april-rural.org\)](#)

* “Do You Know Your K-Level?,” inMotion Volume 23(5), September/October 2013. Accessed 12/13/23. [do-you-know-your-k-level.pdf \(amputee-coalition.org\)](#)

In the five states that have enacted recreational orthotic and prosthetic insurance mandates, support has been strongly bipartisan, with few votes cast against the legislation.^{xii} The APOA's goal is to enact recreational orthotic and prosthetic legislation in 28 states ahead of the 2028 Los Angeles Paralympics,^{xiii} creating the opportunity for advocates to move from a state-by-state insurance mandate strategy to promote federal legislation on recreational orthotic and prosthetic devices.^{xiv}

DISCUSSION

Engaging in appropriate levels of physical activity can lead to better overall health and mental health outcomes for those who use orthotic and prosthetic devices.^{xv} Engaging in physical activity using an inappropriately designed orthotic or prosthetic, however, “can lead to secondary musculoskeletal conditions like osteoarthritis...from overuse, as well as knee, hip, and back pain, skin sores and discomfort...and faster breakdown and less reliability of the standard prosthesis.”^{xvi} According to the “So Everybody Can Move” coalition, damaging or breaking a daily orthotic or prosthetic device not designed for recreation or sport can lead to higher expenses for insurance providers.^{xvii} A number of the states that have passed or are considering legislation to expand insurance mandates for recreational orthotic and prosthetic devices have conducted analyses of the cost of doing so. Those cost estimates are considered in the next section.

FINANCIAL IMPACT

Maine was the first state to adopt legislation mandating insurance coverage for recreational orthotic and prosthetic devices, with coverage limited to children aged 18 years and younger. The estimated impact on the net cost of commercial insurance in Maine was \$0.01 to \$0.08 per member per month (PMPM), or 0.00% to 0.02% of premium, assuming insurers bear the full cost of the benefit with no cost sharing.^{xviii} The Maine analysis estimated that the total cost to the state, with 62,250 members enrolled in individual qualified health plans, was \$9,000 to \$89,000.^{xix}

The Fiscal Impact Statement on Arkansas' law requiring insurance coverage for recreational orthotic and prosthetic devices reported, “[T]he additional cost of covering prosthetic devices for athletics and recreation and prosthetic devices for showering or bathing is immaterial.”^{xx} The Fiscal Impact Report for New Mexico's orthotic and prosthetic device insurance mandate estimated that the law's annual cost to the state would be approximately \$250,000.^{xxi}

A multi-state analysis of the fiscal impact of expanding commercial insurance coverage to include recreational orthotic and prosthetic devices for all ages estimated that the cost increases

to premiums for the Colorado bill ranged from \$0.01 to \$0.08 per member per month (PMPM), while the Illinois law was estimated to add between \$0.01 and \$0.37 PMPM to commercial insurance premiums.^{xxii} Another source estimated that the Colorado insurance mandate would cost the state between \$73,308 and \$724,924 annually.^{xxiii}

However, it may be noted that, depending on the specific provisions in each state's laws, it will not always be possible to do a one-to-one comparison of projected costs between states.

As noted above, a number of states have recognized that this mandated benefit may trigger the ACA's defrayment provision. The federal Patient Protection and Affordable Care Act requires states to defray the cost of any health insurance benefit mandate enacted after December 31, 2011, that is part of an insurance plan sold on a state exchange that is in addition to the state's essential health benefits (EHBs) and related to specific care, treatment, or services. (([P.L. 111-148 § 1311\(d\)\(3\)](#) & [45 CFR 155.170](#)). Federal law requires (1) the state to identify benefit mandates that are in addition to the state's EHB, and (2) insurers to report the cost of those benefits back to the state (i.e., excess cost reports). The state must then defray the cost of the additional mandates by making the appropriate payment directly to an enrollee or to the insurer on the enrollee's behalf ([45 CFR 155.170](#)). A [2017 federal final](#) rule (§ 19) changed the entity responsible for identifying mandates and receiving excess cost reports from the state's exchange to the state. Defrayment does not apply to the large group market. For more information on State-required benefits, please refer to this CMS [FAQ on Defrayal of State Additional Required Benefits](#).

As part of the recently adopted HHS Notice of Benefit and Payment Parameters for 2025 Final Rule, for plan years beginning on or after January 1, 2027, CMS revised the standards for state selection of EHB-benchmark plans to address long-standing requests from states to improve, and reduce the burden of, the EHB-benchmark plan update process.^{xxiv} The process of updating the state's EHB-benchmark plan creates a pathway to adding benefits to the benchmark plan that may not trigger defrayal provided certain parameters are met. Thus, although this is a state-by-state analysis and no such analysis has been performed for New Jersey, coverage for recreational orthotics and prosthetics may trigger the federal defrayment requirements.

The New Jersey Office of Legislative Services issued a Fiscal Note on S3919. The Office of Legislative Services (OLS) estimated that requiring health benefits coverage for an additional orthotic or prosthetic appliance will result in a total annual increase of \$461,000 to \$577,000 in State and local government unit expenditures for the State Health Benefits Program and the School Employees' Health Benefits Program, representing a projected 0.01% increase in costs for medical claims, or 10 cents per \$1,000 in costs. The Fiscal Note is limited to assessing the impact of the bill on the public employee plans and does not attempt to address the cost impact to commercial markets.

Lastly, the Commission previously prepared reports on the legislation that was ultimately adopted establishing the current coverage mandate for prosthetic and orthotic devices, P.L. 2007, c.345. The Commission reports noted that the coverage mandate was projected to result in an average premium increase of 0.025%, or 25 cents per \$1,000 of premium.

CONCLUSION

The Amputee Coalition and the So Every Body Can Move advocacy group have asserted, “Movement is medicine and physical activity is a right, not a privilege.”^{xxv} These organizations frame the issue of mandated insurance coverage for recreational orthotic and prosthetic devices as one of equitable access to medically necessary healthcare, so that people with disabilities can run, bike, swim, ski, kayak, and enjoy other activities and sports. They point out that people with limb loss and limb difference who are more physically active have better mental health and overall health; they are also more likely to be employed.

The estimated fiscal impacts to states and effects on insurance premium costs in the five states that have enacted recreational orthotic and prosthetic device coverage mandates were not found to be prohibitive, but each state’s law had different attributes that may impact the ultimate cost. A review of the Maine bill on recreational orthotic and prosthetic devices reported, “One potential savings of a recreational prosthetic is that since they are more durable and made for high activity, there will be less breakage and therefore minimized costs for repair and maintenance.”^{xxvi} This was cited as a potential benefit to insurers and employers.

Finally, mandating insurance coverage for recreational orthotic and prosthetic devices appears to generally have had broad support in other states. All five of the enacted recreational orthotic and prosthetic bills have passed unanimously or with very broad bipartisan support.

ENDNOTES

ⁱ Doyle, Whitney and Geddie, Ryan, “So Every Body Can Move,” The Amputee Coalition Presentation. Accessed 12/12/23. [So Every BODY Can Move Presentation.pdf \(april-rural.org\)](#)

ⁱⁱ The Amputee Coalition, “Limb Loss Statistics.” Accessed 12/18/23. [Limb Loss Statistics - Amputee Coalition \(amputee-coalition.org\)](#)

ⁱⁱⁱ Kehoe, Shaneis, Cain, Jeffrey, Montgomery, Angela, and Mitsou, Lindi, “A Multi-State Analysis of the Fiscal and Social Impact of Commercial Insurance Coverage for Recreational Prostheses in the United States,” Medical Research Archives, European Society of Medicine Volume 11(5), May 31, 2023. Accessed 12/7/23. [View of A Multi-State Analysis of the Fiscal and Social Impact of Commercial Insurance Coverage for Recreational Prostheses in the United States \(esmed.org\)](#)

^{iv} *Ibid.*

^v So Coloradans Can Move, “HB-1136.” Accessed 12/12/23. [So Coloradans Can Move Fact Sheet \(aopanet.org\)](#)

^{vi} Centers for Disease Control and Prevention (CDC), Disability and Health Promotion, “Increasing Physical Activity Among Adults with Disabilities.” Accessed 12/13/23. [Increasing Physical Activity among Adults with Disabilities | CDC](#)

^{vii} CDC Vital Signs, “Adults with Disabilities: Physical Activity Is for Everybody,” May 2014. Accessed 12/13/23. <https://www.cdc.gov/vitalsigns/pdf/2014-05-vitalsigns.pdf>

^{viii} Centers for Disease Control and Prevention (CDC), Disability and Health Promotion, “Disability and Obesity.” Accessed 12/13/23. [Disability and Obesity | CDC](#)

^{ix} CDC Vital Signs, *op. cit.*

^x So Kids Can Move, “Frequently Asked Questions (FAQs),” December 2022. Accessed 12/7/23. [Frequently-Asked-Questions-FAQs So-Kids-Can-Move Dec2022.pdf \(aopanet.org\)](#)

^{xi} *Ibid.*

^{xii} Borowsky, Larry, “Power to the People: Amputee Advocates Win Big in 2023,” Amplitude, April 30, 2023. Accessed 12/7/23. [Amputees Score Big Statehouse Wins on Prosthetic Insurance \(livingwithamplitude.com\)](#)

^{xiii} American Orthotic and Prosthetic Association, “So Every Body Can Move.” Accessed 12/7/23. [So Every BODY Can Move | AOPA – AMERICAN ORTHOTIC & PROSTHETIC ASSOCIATION \(aopanet.org\)](#)

^{xiv} Hines, Kevin L. and McClellan, Mac, “Academy Society Spotlight: Legislation and Reimbursement in O&P: Are Things Looking Up?” The O&P Edge, December 1, 2023. Accessed 12/13/23. [Academy Society Spotlight: Legislation and Reimbursement in O&P: Are Things Looking Up? - The O&P EDGE Magazine \(opedge.com\)](#)

^{xv} Kehoe, *et al.*, *op. cit.*

^{xvi} So Kids Can Move, *op. cit.*

^{xvii} *Ibid.*

^{xviii} Maine Bureau of Insurance, Department of Professional & Financial Regulation, “A Report to the Joint Standing Committee on Health Coverage, Insurance and Financial Services of the 130th Maine Legislature, Review and Evaluation of LD 1003, An Act to Improve Outcomes for Persons with Limb Loss,” February 2022. Accessed 12/7/23. [LD1003-Maine-Mandated-Benefit-Athletic-Prosthetic-Report.pdf](#)

^{xix} *Ibid.*

^{xx} Segal, “Purpose of Bill HB1252,” March 10, 2023. Accessed 12/18/23. [Microsoft Word - HB1252 \(state.ar.us\)](#)

^{xxi} New Mexico Legislative Finance Committee, “Fiscal Impact Report: Prosthetic and Custom Orthotic Device Coverage, HFIS/House Bill 131,” March 8, 2023. Accessed 12/8/23. [Microsoft Word - HB0131.doc \(nmlegis.gov\)](#)

^{xxii} Kehoe, *et al.*, *op. cit.*

^{xxiii} So Coloradans Can Move, *op. cit.*

^{xxiv} Federal Register, “Patient Protection and Affordable Care Act, HHS Notice of Benefit and Payment Parameters for 2025; Updating Section 1332 Waiver Public Notice Procedures; Medicaid; Consumer Operated and Oriented Plan (CO-OP) Program; and Basic Health Program,” November 24, 2023. Accessed 12/7/23. [Federal Register :: Patient Protection and Affordable Care Act, HHS Notice of Benefit and Payment Parameters for 2025; Updating Section 1332 Waiver Public Notice Procedures; Medicaid; Consumer Operated and Oriented Plan \(CO-OP\) Program; and Basic Health Program](#)

^{xxv} Doyle and Geddie, *op. cit.*

^{xxvi} Maine Bureau of Insurance, *op. cit.*

SENATE, No. 3919

STATE OF NEW JERSEY

220th LEGISLATURE

INTRODUCED JUNE 5, 2023

Sponsored by:

Senator TROY SINGLETON

District 7 (Burlington)

Senator ANTHONY M. BUCCO

District 25 (Morris and Somerset)

SYNOPSIS

Requires health benefits coverage for additional prosthetic appliance under certain circumstances.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/8/2023)

1 AN ACT concerning health benefits coverage and prosthetic
2 appliances and amending P.L.2007, c.345.

3

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

6

7 1. Section 1 of P.L.2007, c.345 (C.17:48-6ff) is amended to
8 read as follows:

9 1. a. Every hospital service corporation contract that provides
10 hospital or medical expense benefits and is delivered, issued,
11 executed or renewed in this State pursuant to P.L.1938, c.366
12 (C.17:48-1 et seq.), or approved for issuance or renewal in this State
13 by the Commissioner of Banking and Insurance on or after the
14 effective date of this act, shall provide benefits to any person
15 covered thereunder for expenses incurred in obtaining:

16 (1) an orthotic or prosthetic appliance from any licensed
17 orthotist or prosthetist, or any certified pedorthist, as determined
18 medically necessary by the covered person's physician; and

19 (2) an additional orthotic or prosthetic appliance from any
20 licensed orthotist or prosthetist, or any certified pedorthist, if the
21 covered person's physician determines that the additional appliance
22 is necessary to enable the covered person to engage in physical and
23 recreational activities, including running, bicycling, swimming,
24 climbing, skiing, snowboarding, and team and individual sports.

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

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

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

36 d. The provisions of this section shall apply to all hospital
37 service corporation contracts in which the hospital service
38 corporation has reserved the right to change the premium.

39 (cf: P.L.2007, c.345, s.1)

40

41 2. Section 2 of P.L.2007, c.345 (C.17:48A-7cc) is amended to
42 read as follows:

43 2. a. Every medical service corporation contract that provides
44 hospital or medical expense benefits and is delivered, issued,
45 executed or renewed in this State pursuant to P.L.1940, c.74

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.

1 (C.17:48A-1 et seq.), or approved for issuance or renewal in this
2 State by the Commissioner of Banking and Insurance on or after the
3 effective date of this act, shall provide benefits to any person
4 covered thereunder for expenses incurred in obtaining:

5 (1) an orthotic or prosthetic appliance from any licensed
6 orthotist or prosthetist, or any certified pedorthist, as determined
7 medically necessary by the covered person's physician; and

8 (2) an additional orthotic or prosthetic appliance from any
9 licensed orthotist or prosthetist, or any certified pedorthist, if the
10 covered person's physician determines that the additional appliance
11 is necessary to enable the covered person to engage in physical and
12 recreational activities, including running, bicycling, swimming,
13 climbing, skiing, snowboarding, and team and individual sports.

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

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

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

25 d. The provisions of this section shall apply to all medical
26 service corporation contracts in which the medical service
27 corporation has reserved the right to change the premium.

28 (cf: P.L.2007, c.345, s.2)

29

30 3. Section 3 of P.L.2007, c.345 (C.17:48E-35.30) is amended
31 to read as follows:

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:

39 (1) an orthotic or prosthetic appliance from any licensed
40 orthotist or prosthetist, or any certified pedorthist, as determined
41 medically necessary by the covered person's physician; and

42 (2) an additional orthotic or prosthetic appliance from any
43 licensed orthotist or prosthetist, or any certified pedorthist, if the
44 covered person's physician determines that the additional appliance
45 is necessary to enable the covered person to engage in physical and
46 recreational activities, including running, bicycling, swimming,
47 climbing, skiing, snowboarding, and team and individual sports.

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 service
7 corporation contract 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 contract.

12 d. The provisions of this section shall apply to all health
13 service corporation contracts in which the health service
14 corporation has reserved the right to change the premium.
15 (cf: P.L.2007, c.345, s.3)

16
17 4. Section 4 of P.L.2007, c.345 (C.17B:26-2.1z) is amended to
18 read as follows:

19 4. a. Every individual health insurance policy that provides
20 hospital or medical expense benefits and is delivered, issued,
21 executed or renewed in this State pursuant to N.J.S.17B:26-1 et
22 seq., or approved for issuance or renewal in this State by the
23 Commissioner of Banking and Insurance on or after the effective
24 date of this act, shall provide benefits to any person covered
25 thereunder for expenses incurred in obtaining:

26 (1) an orthotic or prosthetic appliance from any licensed
27 orthotist or prosthetist, or any certified pedorthist, as determined
28 medically necessary by the covered person's physician; and

29 (2) an additional orthotic or prosthetic appliance from any
30 licensed orthotist or prosthetist, or any certified pedorthist, if the
31 covered person's physician determines that the additional appliance
32 is necessary to enable the covered person to engage in physical and
33 recreational activities, including running, bicycling, swimming,
34 climbing, skiing, snowboarding, and team and individual sports.

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

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

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

46 d. The provisions of this section shall apply to all individual
47 health insurance policies in which the insurer has reserved the right

1 to change the premium.
2 (cf: P.L.2007, c.345, s.4)

3
4 5. Section 5 of P.L.2007, c.345 (C.17B:27-46.1ff) is amended
5 to read as follows:

6 5. a. Every group health insurance policy that provides
7 hospital or medical expense benefits and is delivered, issued,
8 executed or renewed in this State pursuant to N.J.S.17B:27-26 et
9 seq., or approved for issuance or renewal in this State by the
10 Commissioner of Banking and Insurance on or after the effective
11 date of this act, shall provide benefits to any person covered
12 thereunder for expenses incurred in obtaining:

13 (1) an orthotic or prosthetic appliance from any licensed
14 orthotist or prosthetist, or any certified pedorthist, as determined
15 medically necessary by the covered person's physician; and

16 (2) an additional orthotic or prosthetic appliance from any
17 licensed orthotist or prosthetist, or any certified pedorthist, if the
18 covered person's physician determines that the additional appliance
19 is necessary to enable the covered person to engage in physical and
20 recreational activities, including running, bicycling, swimming,
21 climbing, skiing, snowboarding, and team and individual sports.

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 (cf: P.L.2007, c.345, s.5)

37
38 6. Section 6 of P.L.2007, c.345 (C.17B:27A-7.13) is amended
39 to read as follows:

40 6. a. Every individual health benefits plan that provides
41 hospital or medical expense benefits and is delivered, issued,
42 executed or renewed in this State pursuant to P.L.1992, c.161
43 (C.17B:27A-2 et seq.), or approved for issuance or renewal in this
44 State by the Commissioner of Banking and Insurance on or after the
45 effective date of this act, shall provide benefits to any person
46 covered thereunder for expenses incurred in obtaining:

1 (1) an orthotic or prosthetic appliance from any licensed
2 orthotist or prosthetist, or any certified pedorthist, as determined
3 medically necessary by the covered person's physician; and

4 (2) an additional orthotic or prosthetic appliance from any
5 licensed orthotist or prosthetist, or any certified pedorthist, if the
6 covered person's physician determines that the additional appliance
7 is necessary to enable the covered person to engage in physical and
8 recreational activities, including running, bicycling, swimming,
9 climbing, skiing, snowboarding, and team and individual sports.

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

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

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

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

24 (cf: P.L.2007, c.345, s.6)

25
26 7. Section 7 of P.L.2007, c.345 (C.17B:27A-19.17) is amended
27 to read as follows:

28 7. a. Every small employer health benefits plan that provides
29 hospital or medical expense benefits and is delivered, issued,
30 executed or renewed in this State pursuant to P.L.1992, c.162
31 (C.17B:27A-17 et seq.), or approved for issuance or renewal in this
32 State by the Commissioner of Banking and Insurance on or after the
33 effective date of this act, shall provide benefits to any person
34 covered thereunder for expenses incurred in obtaining:

35 (1) an orthotic or prosthetic appliance from any licensed
36 orthotist or prosthetist, or any certified pedorthist, as determined
37 medically necessary by the covered person's physician; and

38 (2) an additional orthotic or prosthetic appliance from any
39 licensed orthotist or prosthetist, or any certified pedorthist, if the
40 covered person's physician determines that the additional appliance
41 is necessary to enable the covered person to engage in physical and
42 recreational activities, including running, bicycling, swimming,
43 climbing, skiing, snowboarding, and team and individual sports.

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 small employer
2 health benefits plan 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 health benefits plan.

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

10 (cf: P.L.2007, c.345, s.7)

11
12 8. Section 8 of P.L.2007, c.345 (C.26:2J-4.31) is amended to
13 read as follows:

14 8. a. A certificate of authority to establish and operate a health
15 maintenance organization in this State pursuant to P.L.1973, c.337
16 (C.26:2J-1 et seq.) shall not be issued or continued by the
17 Commissioner of Health and Senior Services on or after the
18 effective date of this act unless the health maintenance organization
19 provides health care services for any person covered thereunder for
20 expenses incurred in obtaining:

21 (1) an orthotic or prosthetic appliance from any licensed
22 orthotist or prosthetist, or any certified pedorthist, as determined
23 medically necessary by the covered person's physician; and

24 (2) an additional orthotic or prosthetic appliance from any
25 licensed orthotist or prosthetist, or any certified pedorthist, if the
26 covered person's physician determines that the additional appliance
27 is necessary to enable the covered person to engage in physical and
28 recreational activities, including running, bicycling, swimming,
29 climbing, skiing, snowboarding, and team and individual sports.

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

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

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

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

44 (cf: P.L.2012, c.17, s.276)

45
46 9. Section 9 of P.L.2007, c.345 (C.52:14-17.29m) is amended
47 to read as follows:

1 9. a. The State Health Benefits Commission shall ensure that
2 every contract purchased by the commission on or after the
3 effective date of this act that provides hospital or medical expense
4 benefits, shall provide benefits to any person covered thereunder for
5 expenses incurred in obtaining:

6 (1) an orthotic or prosthetic appliance from any licensed
7 orthotist or prosthetist, or any certified pedorthist, as determined
8 medically necessary by the covered person's physician; and

9 (2) an additional orthotic or prosthetic appliance from any
10 licensed orthotist or prosthetist, or any certified pedorthist, if the
11 covered person's physician determines that the additional appliance
12 is necessary to enable the covered person to engage in physical and
13 recreational activities, including running, bicycling, swimming,
14 climbing, skiing, snowboarding, and team and individual sports.

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

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

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

26 (cf: P.L.2007, c.345, s.9)

27
28 10. This act shall take effect on the 90th day after enactment,
29 and shall apply to policies or contracts issued or renewed on or after
30 the effective date.

31
32
33 STATEMENT

34
35 This bill requires health benefits coverage for an additional
36 prosthetic appliance under certain circumstances.

37 The bill requires health benefits coverage for an additional
38 orthotic or prosthetic appliance from any licensed orthotist or
39 prosthetist, or any certified pedorthist, if the covered person's
40 physician determines that the additional appliance is necessary to
41 enable the covered person to engage in physical and recreational
42 activities, including running, bicycling, swimming, climbing,
43 skiing, snowboarding, and team and individual sports. The
44 reimbursement for the additional orthotic or prosthetic appliance is
45 at the same rate as reimbursement for the appliances under the
46 federal Medicare reimbursement schedule.

47 Current law requires health benefits coverage for expenses
48 incurred in obtaining an orthotic or prosthetic appliance from any

S3919 SINGLETON, BUCCO

9

1 licensed orthotist or prosthetist, or any certified pedorthist, as
2 determined medically necessary by the covered person's physician,
3 but does not require coverage of an additional appliance for
4 physical or recreational activities.

5 The bill would apply to hospital, medical, and health service
6 corporations; commercial individual, small employer, and larger
7 group insurers; health maintenance organizations; and the State
8 Health Benefits Program and the School Employees' Health
9 Benefits Program.

Appendix II

Nellie Pou
Chair

Joseph Cryan
Vice-Chair

Gordon M. Johnson
Jon M. Brainn ck
Robert W. Singer



NEW JERSEY STATE LEGISLATURE

SENATE COMMERCE COMMITTEE

STATE HOUSE ANNEX • P.O. BOX 60 • TRENTON, NJ
08625-0068
www.njleg.state.nj.us

Christian H
Weisenbacher
Liza Ackerman
*Office of Legislative
Services
Committee Aide*
609-847-3845
Fax 609 777-2998

October 4, 2023

New Jersey Mandated Health Benefits Advisory Commission
P.O. Box 325
Trenton, NJ 08625

Dear Members of the Commission:

As the Chair of the Senate Commerce Committee, I respectfully request the Commission to review and prepare a written report of Senate Bill 3919, sponsored by Senator Singleton. The bill would require health benefits coverage for additional prosthetic appliances under certain circumstances.

If you have any questions, please do not hesitate to contact Abbey Harris, Counsel to the Commerce Committee and Chief Counsel of the Senate Majority Office, at 609-847-3700. Thank you for your immediate attention to this matter.

Sincerely,

A handwritten signature in cursive script that reads "Nellie Pou".

Nellie Pou
Senator, 35th District

CC: Abbey True Harris, Esq., MPP
Chief Counsel
Senate Majority Office