

CHAPTER 356

AN ACT concerning enrollment of adult children for health insurance coverage and amending P.L.1995, c.288.

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

1. Section 1 of P.L.1995, c.288 (C.17:48-6.15) is amended to read as follows:

C.17:48-6.15 Coverage provided by hospital service corporation for subscriber's child.

1. a. A hospital service corporation contract which provides hospital or medical expense benefits under which dependent coverage is available shall continue to make that coverage available for an adult child until the child turns 26 years of age. A contract shall not deny coverage for a subscriber's child on the grounds that:

- (1) The child was born out of wedlock;
- (2) The child is not claimed as a dependent on the subscriber's federal tax return;
- (3) The child does not reside with the subscriber or in the hospital service corporation's service area, provided that, in the case of a managed care plan, the child complies with the terms and conditions of the contract with respect to the use of specified providers;
- (4) The child is married;
- (5) The child has or adopts a child; or
- (6) The child starts or leaves school.

b. If a child has coverage through a hospital service corporation contract of a noncustodial parent, the hospital service corporation shall:

- (1) Provide such information to the custodial parent as may be necessary for the child to obtain benefits through the child's noncustodial parent's coverage;
- (2) Permit the custodial parent, or the health care provider with the authorization of the custodial parent, to submit claims for covered services without the approval of the noncustodial parent; and
- (3) Make payments on claims submitted in accordance with paragraph (2) of this subsection directly to the custodial parent, the health care provider or the Division of Medical Assistance and Health Services in the Department of Human Services which administers the State Medicaid program, as appropriate.

c. When a parent who is the subscriber is eligible for dependent coverage and is required by a court or administrative order to provide health insurance coverage for his child, the hospital service corporation shall:

- (1) Permit the parent to enroll his child as a dependent, without regard to any open enrollment restrictions;
- (2) Permit the child's other parent, or the Division of Medical Assistance and Health Services as the State Medicaid agency or the Division of Family Development as the State IV-D agency, in the Department of Human Services, to enroll the child under the contract if the parent who is the subscriber fails to enroll the child; and
- (3) Not terminate coverage of the child unless the parent who is the subscriber provides the hospital service corporation with satisfactory written evidence that: the court or administrative order is no longer in effect; or the child is or will be enrolled in a comparable health benefits plan whose coverage will be effective on the date of the termination of coverage.

2. Section 3 of P.L.1995, c.288 (C.17:48A-7.10) is amended to read as follows:

C.17:48A-7.10 Coverage provided by medical service corporation for subscriber's child.

3. a. A medical service corporation contract which provides hospital or medical expense benefits under which dependent coverage is available shall continue to make that coverage available for an adult child until the child turns 26 years of age. A contract shall not deny coverage for a subscriber's child on the grounds that:

- (1) The child was born out of wedlock;
- (2) The child is not claimed as a dependent on the subscriber's federal tax return;
- (3) The child does not reside with the subscriber or in the medical service corporation's service area, provided that, in the case of a managed care plan, the child complies with the terms and conditions of the contract with respect to the use of specified providers;
- (4) The child is married;
- (5) The child has or adopts a child; or
- (6) The child starts or leaves school.

b. If a child has coverage through a medical service corporation contract of a noncustodial parent, the medical service corporation shall:

- (1) Provide such information to the custodial parent as may be necessary for the child to obtain benefits through the child's noncustodial parent's coverage;
- (2) Permit the custodial parent, or the health care provider with the authorization of the custodial parent, to submit claims for covered services without the approval of the noncustodial parent; and
- (3) Make payments on claims submitted in accordance with paragraph (2) of this subsection directly to the custodial parent, the health care provider or the Division of Medical Assistance and Health Services in the Department of Human Services which administers the State Medicaid program, as appropriate.

c. When a parent who is the subscriber is eligible for dependent coverage and is required by a court or administrative order to provide health insurance coverage for his child, the medical service corporation shall:

- (1) Permit the parent to enroll his child as a dependent, without regard to any open enrollment restrictions;
- (2) Permit the child's other parent, or the Division of Medical Assistance and Health Services as the State Medicaid agency or the Division of Family Development as the State IV-D agency, in the Department of Human Services, to enroll the child under the contract if the parent who is the subscriber fails to enroll the child; and
- (3) Not terminate coverage of the child unless the parent who is the subscriber provides the medical service corporation with satisfactory written evidence that: the court or administrative order is no longer in effect; or the child is or will be enrolled in a comparable health benefits plan whose coverage will be effective on the date of the termination of coverage.

3. Section 5 of P.L.1995, c.288 (C.17:48E-32.1) is amended to read as follows:

C.17:48E-32.1 Coverage provided by health service corporation for subscriber's child.

5. a. A health service corporation contract which provides hospital or medical expense benefits under which dependent coverage is available shall continue to make that coverage available for an adult child until the child turns 26 years of age. A contract shall not deny coverage for a subscriber's child on the grounds that:

- (1) The child was born out of wedlock;
- (2) The child is not claimed as a dependent on the subscriber's federal tax return;

(3) The child does not reside with the subscriber or in the health service corporation's service area, provided that, in the case of a managed care plan, the child complies with the terms and conditions of the contract with respect to the use of specified providers;

(4) The child is married;

(5) The child has or adopts a child; or

(6) The child starts or leaves school.

b. If a child has coverage through a health service corporation contract of a noncustodial parent, the health service corporation shall:

(1) Provide such information to the custodial parent as may be necessary for the child to obtain benefits through the child's noncustodial parent's coverage;

(2) Permit the custodial parent, or the health care provider with the authorization of the custodial parent, to submit claims for covered services without the approval of the noncustodial parent; and

(3) Make payments on claims submitted in accordance with paragraph (2) of this subsection directly to the custodial parent, the health care provider or the Division of Medical Assistance and Health Services in the Department of Human Services which administers the State Medicaid program, as appropriate.

c. When a parent who is the subscriber is eligible for dependent coverage and is required by a court or administrative order to provide health insurance coverage for his child, the health service corporation shall:

(1) Permit the parent to enroll his child as a dependent, without regard to any open enrollment restrictions;

(2) Permit the child's other parent, or the Division of Medical Assistance and Health Services as the State Medicaid agency or the Division of Family Development as the State IV-D agency, in the Department of Human Services, to enroll the child under the contract if the parent who is the subscriber fails to enroll the child; and

(3) Not terminate coverage of the child unless the parent who is the subscriber provides the health service corporation with satisfactory written evidence that: the court or administrative order is no longer in effect; or the child is or will be enrolled in a comparable health benefits plan whose coverage will be effective on the date of the termination of coverage.

4. Section 11 of P.L.1995, c.288 (C.17B:27-30.1) is amended to read as follows:

C.17B:27-30.1 Benefits provided by group policy to subscriber's child.

11. a. A policy which provides hospital or medical expense benefits under which dependent coverage is available shall continue to make that coverage available for an adult child until the child turns 26 years of age. A policy shall not deny coverage for an insured's child on the grounds that:

(1) The child was born out of wedlock;

(2) The child is not claimed as a dependent on the insured's federal tax return;

(3) The child does not reside with the insured or in the insurer's service area, provided that, in the case of a managed care plan, the child complies with the terms and conditions of the policy with respect to the use of specified providers;

(4) The child is married;

(5) The child has or adopts a child; or

(6) The child starts or leaves school.

b. If a child has coverage through a health insurance policy of a noncustodial parent, the insurer shall:

(1) Provide such information to the custodial parent as may be necessary for the child to obtain benefits through the child's noncustodial parent's coverage;

(2) Permit the custodial parent, or the health care provider with the authorization of the custodial parent, to submit claims for covered services without the approval of the noncustodial parent; and

(3) Make payments on claims submitted in accordance with paragraph (2) of this subsection directly to the custodial parent, the health care provider or the Division of Medical Assistance and Health Services in the Department of Human Services which administers the State Medicaid program, as appropriate.

c. When a parent who is the insured is eligible for dependent coverage and is required by a court or administrative order to provide health insurance coverage for his child, the insurer shall:

(1) Permit the parent to enroll his child as a dependent, without regard to any open enrollment restrictions;

(2) Permit the child's other parent, or the Division of Medical Assistance and Health Services as the State Medicaid agency or the Division of Family Development as the State IV-D agency, in the Department of Human Services, to enroll the child under the health insurance policy if the parent who is the insured fails to enroll the child; and

(3) Not terminate coverage of the child unless the parent who is the insured provides the insurer with satisfactory written evidence that: the court or administrative order is no longer in effect; or the child is or will be enrolled in a comparable health benefits plan whose coverage will be effective on the date of the termination of coverage.

5. Section 15 of P.L.1995, c.288 (C.17B:27-30.3) is amended to read as follows:

C.17B:27-30.3 Coverage provided by group health plan to subscriber's child.

15. a. A group health plan as defined in section 607(1) of the "Employee Retirement Income Security Act of 1974," 29 U.S.C.1167(1) which provides hospital or medical expense benefits under which dependent coverage is available shall continue to make that coverage available for an adult child until the child turns 26 years of age. A plan shall not deny coverage for a covered employee's child on the grounds that:

(1) The child was born out of wedlock;

(2) The child is not claimed as a dependent on the covered employee's federal tax return;

(3) The child does not reside with the covered employee or in the group health plan's service area, provided that, in the case of a managed care plan, the child complies with the terms and conditions of the plan with respect to the use of specified providers;

(4) The child is married;

(5) The child has or adopts a child; or

(6) The child starts or leaves school.

b. If a child has coverage through a group health plan of a noncustodial parent, the plan shall:

(1) Provide such information to the custodial parent as may be necessary for the child to obtain benefits through the child's noncustodial parent's coverage;

(2) Permit the custodial parent, or the health care provider with the authorization of the custodial parent, to submit claims for covered services without the approval of the noncustodial parent; and

(3) Make payments on claims submitted in accordance with paragraph (2) of this subsection directly to the custodial parent, the health care provider or the Division of Medical Assistance and Health Services in the Department of Human Services which administers the State Medicaid program, as appropriate.

c. When a parent who is the covered employee is eligible for dependent coverage and is required by a court or administrative order to provide health insurance coverage for his child, the group health plan shall:

(1) Permit the parent to enroll his child as a dependent, without regard to any open enrollment restrictions;

(2) Permit the child's other parent, or the Division of Medical Assistance and Health Services as the State Medicaid agency or the Division of Family Development as the State IV-D agency, in the Department of Human Services, to enroll the child under the group health plan if the parent who is the covered employee fails to enroll the child; and

(3) Not terminate coverage of the child unless the parent who is the covered employee provides the group health plan with satisfactory written evidence that: the court or administrative order is no longer in effect; or the child is or will be enrolled in a comparable health benefits plan whose coverage will be effective on the date of the termination of coverage.

6. Section 7 of P.L.1995, c.288 (C.17B:27A-4.1) is amended to read as follows:

C.17B:27A-4.1 Individual policy, contract for hospital, medical expense benefits, coverage of subscriber's child.

7. a. A policy or contract which provides hospital or medical expense benefits under which dependent coverage is available shall continue to make that coverage available for an adult child until the child turns 26 years of age. A policy or contract shall not deny coverage for a policy or contract holder's child on the grounds that:

(1) The child was born out of wedlock;

(2) The child is not claimed as a dependent on the policy or contract holder's federal tax return;

(3) The child does not reside with the policy or contract holder or in the carrier's service area, provided that, in the case of a managed care plan, the child complies with the terms and conditions of the policy or contract with respect to the use of specified providers;

(4) The child is married;

(5) The child has or adopts a child; or

(6) The child starts or leaves school.

b. If a child has coverage through a policy or contract of a noncustodial parent, the carrier shall:

(1) Provide such information to the custodial parent as may be necessary for the child to obtain benefits through the child's noncustodial parent's coverage;

(2) Permit the custodial parent, or the health care provider with the authorization of the custodial parent, to submit claims for covered services without the approval of the noncustodial parent; and

(3) Make payments on claims submitted in accordance with paragraph (2) of this subsection directly to the custodial parent, the health care provider or the Division of Medical Assistance and Health Services in the Department of Human Services which administers the State Medicaid program, as appropriate.

c. When a parent who is the policy or contract holder is eligible for dependent coverage and is required by a court or administrative order to provide health insurance coverage for his child, the carrier shall:

(1) Permit the parent to enroll his child as a dependent, without regard to any open enrollment restrictions;

(2) Permit the child's other parent, or the Division of Medical Assistance and Health Services as the State Medicaid agency or the Division of Family Development as the State IV-D agency, in the Department of Human Services, to enroll the child under the policy or contract if the parent who is the policy or contract holder fails to enroll the child; and

(3) Not terminate coverage of the child unless the parent who is the policy or contract holder provides the carrier with satisfactory written evidence that: the court or administrative order is no longer in effect; or the child is or will be enrolled in a comparable health benefits plan whose coverage will be effective on the date of the termination of coverage.

7. Section 9 of P.L.1995, c.288 (C.17B:27A-18.1) is amended to read as follows:

C.17B:27A-18.1 Provision of benefits to subscriber's child under small employer policy, contract.

9. a. A policy or contract which provides hospital or medical expense benefits under which dependent coverage is available shall continue to make that coverage available for an adult child until the child turns 26 years of age. A policy or contract shall not deny coverage for a covered employee's child on the grounds that:

(1) The child was born out of wedlock;

(2) The child is not claimed as a dependent on the covered employee's federal tax return;

(3) The child does not reside with the covered employee or in the carrier's service area, provided that, in the case of a managed care plan, the child complies with the terms and conditions of the policy or contract with respect to the use of specified providers;

(4) The child is married;

(5) The child has or adopts a child; or

(6) The child starts or leaves school.

b. If a child has coverage through a policy or contract of a noncustodial parent, the carrier shall:

(1) Provide such information to the custodial parent as may be necessary for the child to obtain benefits through the child's noncustodial parent's coverage;

(2) Permit the custodial parent, or the health care provider with the authorization of the custodial parent, to submit claims for covered services without the approval of the noncustodial parent; and

(3) Make payments on claims submitted in accordance with paragraph (2) of this subsection directly to the custodial parent, the health care provider or the Division of Medical Assistance and Health Services in the Department of Human Services which administers the State Medicaid program, as appropriate.

c. When a parent who is the covered employee is eligible for dependent coverage and is required by a court or administrative order to provide health insurance coverage for his child, the carrier shall:

(1) Permit the parent to enroll his child as a dependent, without regard to any open enrollment restrictions;

(2) Permit the child's other parent, or the Division of Medical Assistance and Health Services as the State Medicaid agency or the Division of Family Development as the State

IV-D agency, in the Department of Human Services, to enroll the child under the policy or contract if the parent who is the covered employee fails to enroll the child; and

(3) Not terminate coverage of the child unless the parent who is the covered employee provides the carrier with satisfactory written evidence that: the court or administrative order is no longer in effect; or the child is or will be enrolled in a comparable health benefits plan whose coverage will be effective on the date of the termination of coverage.

8. Section 13 of P.L.1995, c.288 (C.26:2J-10.1) is amended to read as follows:

C.26:2J-10.1 Coverage provided by health maintenance organization for subscriber's child.

13. a. A health maintenance organization contract or certificate in which dependent coverage is available shall continue to make that coverage available for an adult child until the child turns 26 years of age. A contract or certificate shall not deny coverage for an enrollee's child for health care services on the grounds that:

- (1) The child was born out of wedlock;
- (2) The child is not claimed as a dependent on the enrollee's federal tax return;
- (3) The child does not reside with the enrollee or in the health maintenance organization's service area, provided that the child complies with the terms and conditions of the coverage with respect to the use of specified providers;
- (4) The child is married;
- (5) The child has or adopts a child; or
- (6) The child starts or leaves school.

b. If a child has coverage through a health maintenance organization plan of a noncustodial parent, the health maintenance organization shall:

- (1) Provide such information to the custodial parent as may be necessary for the child to obtain health care services through the child's noncustodial parent's coverage;
- (2) Permit the custodial parent, or the health care provider with the authorization of the custodial parent, to submit claims for health care services without the approval of the noncustodial parent; and
- (3) Make payments on claims submitted in accordance with paragraph (2) of this subsection directly to the custodial parent, the health care provider or the Division of Medical Assistance and Health Services in the Department of Human Services which administers the State Medicaid program, as appropriate.

c. When a parent who is the enrollee is eligible for dependent coverage and is required by a court or administrative order to provide health insurance coverage for his child, the health maintenance organization shall:

- (1) Permit the parent to enroll his child as a dependent, without regard to any open enrollment restrictions;
- (2) Permit the child's other parent, or the Division of Medical Assistance and Health Services as the State Medicaid agency or the Division of Family Development as the State IV-D agency, in the Department of Human Services, to enroll the child if the parent who is the enrollee fails to enroll the child; and
- (3) Not terminate coverage of the child unless the parent who is the enrollee provides the health maintenance organization with satisfactory written evidence that: the court or administrative order is no longer in effect; or the child is or will be enrolled in a comparable health benefits plan whose coverage will be effective on the date of the termination of coverage.

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

Approved January 16, 2020.