Legislative Update – April 2019

Bundled Payments for Childbirth-Related Services Advances in NJ – On March 4, 2019, the New Jersey Senate Health, Human Services and Senior Citizens Committee advanced Bill S3365, which would establish bundled payments for childbirth-related services. An identical bill had already been cleared by the New Jersey Assembly's Appropriations and Women and Children committees. The Bill will implement a three-year Medicaid perinatal episode of care pilot program, to be developed by the "perinatal episode of care learning network" established under the Bill. The learning network will design a perinatal episode of care payment model, also known as a bundle payment model, in which provider reimbursement is based on target total cost of care for services provided within a perinatal episode of care, rather than on individual services provided within the episode of care. The Bill defines a "perinatal episode of care" as all pregnancy-related care including prenatal care, labor and birth, and postpartum care provided to a mother and infant, beginning 40 weeks prior to the delivery and ending 60 days after the delivery of the infant. The purpose of the Bill is to improve perinatal healthcare outcomes and to reduce the cost of perinatal care.

Newborn Screening Bill Making Progress – On March 11, 2019, the New Jersey Assembly Women and Children Committee reported favorably on Bill S484, which would revise the New Jersey Department of Health's (DOH) newborn screening program. The Bill was already passed by the New Jersey Senate on January 31, 2019. The Bill revises New Jersey's newborn screening program for congenital disorders by requiring the Commissioner of Health to establish a Newborn Screening Advisory Review Committee, consisting of medical, hospital, and public health professionals, scientific experts, and consumer representatives. The Committee would be authorized to make recommendations on the disorders to be screened for by the DOH, as well as on screening technologies, treatment options, and educational and follow-up procedures, to be used in the newborn screening program.

Bill Introduced Requiring Health Benefit Coverage for Influenza Testing – On March 7, 2019, Bill S3571 was introduced in the New Jersey Senate requiring health benefits coverage for influenza testing. Specifically, health insurers (including health, hospital, and medical service corporations; commercial, individual, and group health insurers; health maintenance organizations; health benefits plans issued pursuant to the New Jersey Individual Health Coverage and Small Employer Health Benefits Programs; the State Health Benefits Program; and the School Employees' Health Benefits Program) would be required to provide coverage for expenses incurred in the use of rapid diagnostic testing to screen for influenza A and B virus infections.