

**CHAPTER 87**  
**(CORRECTED COPY)**

**AN ACT** concerning health benefits coverage for non-medically indicated early elective deliveries and supplementing various parts of statutory law.

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

1. The Legislature finds and declares:

a. Data strongly demonstrates that early elective deliveries—scheduled cesarean sections or medical inductions performed prior to 39 weeks of gestation without medical necessity—carry risks to both babies and mothers;

b. During the last few weeks of pregnancy, critical fetal development is still occurring;

c. As such, studies have shown that non-medically indicated early elective deliveries provide for higher incidences of neonatal intensive care unit admissions, pneumonia, and longer hospital stays for infants than when the pregnancy is allowed to progress naturally to full term;

d. Additionally, an unsuccessful induction will result in a cesarean section, which can lead to infections, bleeding, and anesthesia complications for mothers;

e. The American College of Obstetricians and Gynecologists (ACOG) has advised against these deliveries for over 30 years;

f. According to the ACOG, medical indications for early delivery are not absolute but should take into account maternal and fetal conditions, gestational age, cervical status, and other factors;

g. Factors such as maternal request, availability of effective pain management, provider convenience, or facility scheduling should not be considered when determining whether to induce labor early or to perform a cesarean delivery;

h. While the early elective delivery rate in New Jersey has generally declined in recent years, approximately three to four percent of all births in the State are the result of a scheduled cesarean section or medical induction performed prior to 39 weeks of gestation without medical necessity;

i. To support public health and improve birth outcomes, it is important that health care providers, women, and their support networks are aware of the association between early elective deliveries and increased maternal and neonatal complications; and

j. It is, therefore, in the public interest for the Legislature to support education efforts for health care providers and women and their support networks and to prohibit coverage of such medical interventions which are not necessary by clinical standards within the Medicaid Program, the State Health Benefits Program, and the School Employees' Health Benefits Program, as a means to improve medical outcomes for mothers and babies.

C.30:4D-6.10 Conditions for reimbursement to providers; educational materials; terms defined.

2. a. No provider shall be approved for reimbursement by the Division of Medical Assistance and Health Services in the Department of Human Services under Medicaid for a non-medically indicated early elective delivery performed at a hospital on a pregnant woman earlier than the 39th week of gestation on or after the ten-month period following the effective date of this section. During the ten-month period following the effective date of this section, the Division of Medical Assistance and Health Services in the Department of Human Services shall provide accessible educational materials to inform pregnant women, their support networks, and Medicaid providers about the risks of non-medically indicated early elective delivery.

b. As used in this section:

“Medicaid” means the Medicaid program established pursuant to P.L.1968, c.413 (C.30:4D-1 et seq.).

“Non-medically indicated early elective delivery” means the artificial start of the birth process through medical interventions or other methods, also known as labor induction, or the surgical delivery of a baby via a cesarean section for purposes or reasons that are not fully consistent with established standards of clinical care as provided by the American College of Obstetricians and Gynecologists.

C.30:4D-9.2 Medicaid to not provide coverage for certain early elective deliveries.

3. a. Notwithstanding the provisions of any other law or regulation to the contrary, any contract between a carrier and the Division of Medical Assistance and Health Services in the Department of Human Services that provides benefits to persons who are eligible for Medicaid under P.L.1968, c.413 (C.30:4D-1 et seq.) shall not provide coverage for a non-medically indicated early elective delivery performed at a hospital on a pregnant woman earlier than the 39th week of gestation.

b. As used in this section, “non-medically indicated early elective delivery” means the artificial start of the birth process through medical interventions or other methods, also known as labor induction, or the surgical delivery of a baby via a cesarean section for purposes or reasons that are not fully consistent with established standards of clinical care as provided by the American College of Obstetricians and Gynecologists.

C.52:14-17.29aa SHBC not to provide coverage for certain early elective deliveries.

4. a. Notwithstanding any other law or regulation to the contrary, the State Health Benefits Commission shall ensure that every contract purchased by the commission on or after the effective date of this act that provides hospital and medical expense benefits shall not provide coverage for a non-medically indicated early elective delivery performed at a hospital on a pregnant woman earlier than the 39th week of gestation.

b. As used in this section, “non-medically indicated early elective delivery” means the artificial start of the birth process through medical interventions or other methods, also known as labor induction, or the surgical delivery of a baby via a cesarean section for purposes or reasons that are not fully consistent with established standards of clinical care as provided by the American College of Obstetricians and Gynecologists.

C.52:14-17.46.6l School Employees’ Health Benefits Commission not to provide coverage for certain early elective deliveries.

5. a. Notwithstanding any other law or regulation to the contrary, the School Employees’ Health Benefits Commission shall ensure that every contract purchased by the commission on or after the effective date of this act that provides hospital and medical expense benefits shall not provide coverage for a non-medically indicated early elective delivery performed at a hospital on a pregnant woman earlier than the 39th week of gestation.

b. As used in this section, “non-medically indicated early elective delivery” means the artificial start of the birth process through medical interventions or other methods, also known as labor induction, or the surgical delivery of a baby via a cesarean section for purposes or reasons that are not fully consistent with established standards of clinical care as provided by the American College of Obstetricians and Gynecologists.

6. Sections 1 through 3 of this act shall take effect on the first day of the fourth month next following enactment, and sections 4 and 5 of this act shall take effect on the date of the next plan

design cycle for the State Health Benefits Program and the School Employees' Health Benefits Program after enactment.

Approved May 8, 2019.