

# New Jersey

## 2021 Healthcare Affordability Policy Checklist

### KEY

-  = implemented by state
-  = the state has implemented policies, but could improve
-  = not implemented by state

polling data repeatedly shows that healthcare affordability is the number one issue that state residents, on both sides of the political aisle, want their policymakers to work on. This checklist identifies areas where New Jersey is doing well and areas where it can improve.

### 1. CURB EXCESS HEALTHCARE PRICES:

- Implement free, public-facing healthcare price transparency that reflects negotiated rates and features treatment- and provider-specific prices. 
- Create an all-payer or multi-payer claims database to analyze healthcare price inflation, price variation and utilization. 
- Create a permanently convened health spending oversight entity. 
- Create all-payer healthcare spending and quality benchmarks for the state.<sup>1</sup> 

### 2. REDUCE LOW-VALUE CARE:

- Require validated patient-safety reporting for hospitals. 
- Universally implement antibiotic stewardship programs using CDC's 7 Core Elements. 
- Analyze claims and EHR data to understand how much is spent on low- and no-value services. 

### 3. EXTEND COVERAGE TO ALL RESIDENTS:

- Expand Medicaid to cover adults up to 138% of the federal poverty level. 
- Provide high-quality, affordable coverage options for people whose incomes are too high to qualify for Medicaid, e.g., Basic Health Plan, reinsurance or augmented premium subsidies.<sup>2</sup> 
- Provide options for recent immigrants that don't qualify for the coverage above.<sup>3,4</sup> 
- Conduct strong rate review of fully insured, private market options.<sup>5</sup> 

### 4. MAKE OUT-OF-POCKET COSTS AFFORDABLE:

- Protect patients from inadvertent surprise out-of-network medical bills. 
- Limit the availability of skimpy and confusing short-term, limited-duration health plans. 
- Waive or reduce cost-sharing for high-value services. 
- Require insurers in a state-based exchange to offer evidence-based standard plan designs.<sup>6</sup> 

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Additional detail is available at:

[WWW.HEALTHCAREVALUEHUB.ORG/AFFORDABILITY-SCORECARD/NEW-JERSEY](http://WWW.HEALTHCAREVALUEHUB.ORG/AFFORDABILITY-SCORECARD/NEW-JERSEY)

## NOTES

1. Looking Ahead: In 2021, the New Jersey Governor issued an Executive Order directing the Department of Banking and Insurance to develop plans for the implementation of both healthcare cost growth benchmarks and health insurance affordability standards, creating the Health Care Affordability Advisory Board to guide development and implementation of benchmarks. See: <https://www.nj.gov/governor/news/news/562021/20210128b.shtml>
2. New Jersey implemented a 1332 State Innovation Waiver to create a reinsurance program and also instituted premium subsidies for households with annual incomes up to 600% of the Federal Poverty Line. See: [https://www.state.nj.us/dobi/division\\_insurance/section1332/index.html](https://www.state.nj.us/dobi/division_insurance/section1332/index.html) and <https://nj.gov/getcoverednj/financialhelp/premiums/>
3. New Jersey offers lawfully residing immigrant children and pregnant women coverage options without a 5-year wait. The state also provides coverage options for undocumented pregnant women, as well as some services not covered through emergency Medicaid for some income-eligible pregnant women or post-partum women who are not otherwise eligible due to immigration status by using state-only funds. See: <https://www.kff.org/health-reform/state-indicator/medicaid-chip-coverage-of-lawfully-residing-immigrant-children-and-pregnant-women/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D>
4. In 2021, New Jersey passed the Cover All Kids law, that will expand the state's Medicaid program to cover undocumented children. Officials estimate that coverage may not be available until 2023. <https://www.njspotlight.com/2021/07/without-saying-so-nj-expands-medicare-to-undocumented-children/>
5. Looking Ahead: In 2021, the New Jersey Governor signed an executive order directing the Department of Banking and Insurance to develop plans for health care cost growth benchmarks and health insurance affordability standards.
6. New Jersey's standard plans pre-date the ACA and explicitly waive the deductible for immunizations and lead screening for children, preventive care, maternity care and second surgical opinions. New Jersey's approach reflects legislated state benefit mandates rather than an intentional, government-led effort to develop standardized cost-sharing reflecting value-based insurance design principles.



### ABOUT ALTARUM'S HEALTHCARE VALUE HUB

With support from the Robert Wood Johnson Foundation, the Healthcare Value Hub provides free, timely information about the policies and practices that address high healthcare costs and poor quality, bringing better value to consumers. The Hub is part of Altarum, a nonprofit organization with the mission of creating a better, more sustainable future for all Americans by applying research-based and field-tested solutions that transform our systems of health and healthcare.

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