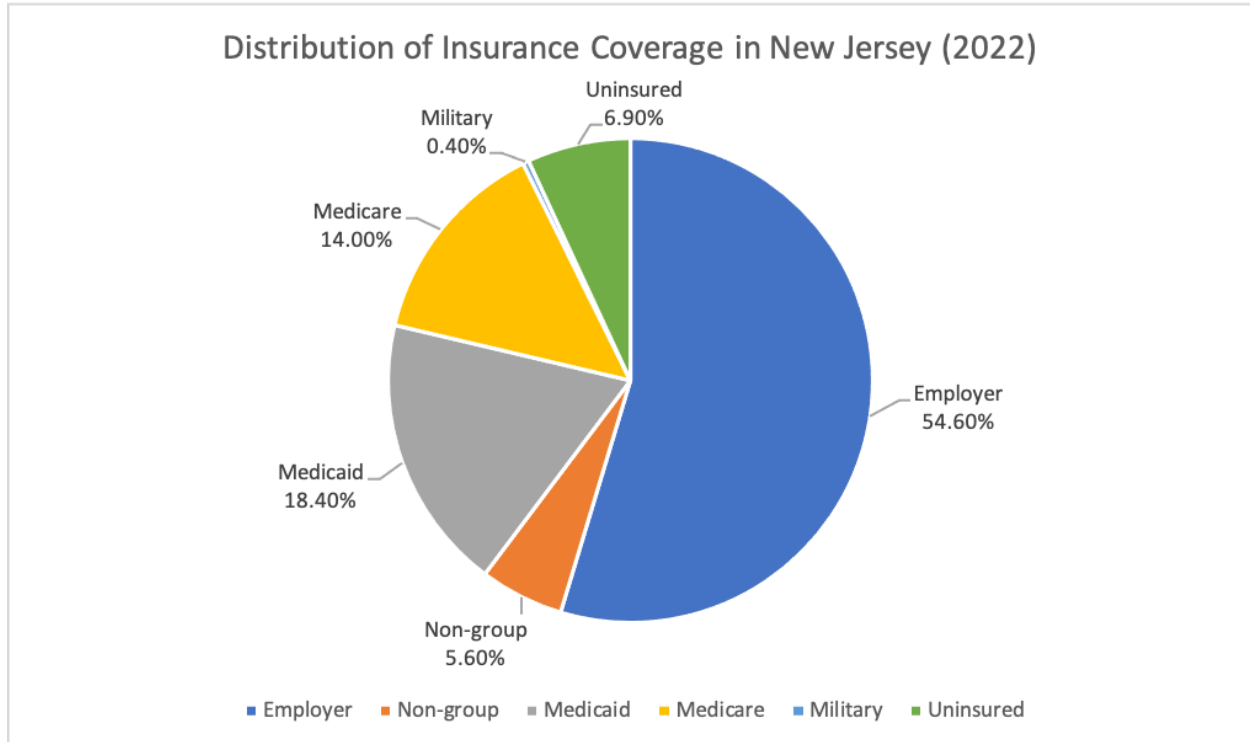


New Jersey

Sources of Insurance Coverage



*Source: KFF, Health Insurance Coverage of the Total Population, 2022

Medicare

In New Jersey, [1.28 million](#) residents are enrolled in Medicare, 14% of the state's population (2022 data). Of those, [43%](#) are enrolled in a Medicare Advantage plan. For New Jersey residents in the traditional Medicare program, the New Jersey Department of Banking and Finance (DOBI) regulates Medicare supplement plans. A list of insurance carriers offering Medicare supplement plans is available [here](#). New Jersey law also requires that at least one carrier in the state offer Medicare supplement coverage to individuals [under age 65](#) who become eligible for Medicare due to disability.

Medicaid and the Children's Health Insurance Program (CHIP)

[1.68 million](#) people are enrolled in Medicaid or CHIP in New Jersey, 18.4% of the population (2022 data). New Jersey adopted Medicaid expansion under the Affordable Care Act (ACA), and the New Jersey Department of Human Services (DHS) administers the state's Medicaid program, called "[NJ FamilyCare](#)." New Jersey's expanded Medicaid program covers [740,000](#) low-income adults. New Jersey Medicaid covers children up to 355% of the federal poverty level (FPL). Approximately [29%](#) of all births in New Jersey are covered by Medicaid.

New Jersey's CHIP program operates as both an expansion of Medicaid and a separately run program. Medicaid covers infants up to [199% FPL](#), as well as children age 1-18 up to 147% FPL. CHIP fills in to provide coverage for children up to age 18 with household incomes up to 355% FPL. Through the state's "[Cover All Kids](#)" initiative, New Jersey eliminated premiums in their CHIP program and expanded eligibility to all income-eligible children regardless of immigration status.

In New Jersey, most Medicaid and CHIP enrollees receive benefits via private managed care organizations (MCOs). These insurers have contracts with the [Division of Medical Assistance and Health Services](#) within the state's Department of Human Services.

Employer-sponsored Insurance

In New Jersey, [4.96 million](#) people are covered by employer-sponsored insurance (ESI), or 54.6% of the total state population (2022 data). Approximately [56.1%](#) of employers in New Jersey offer ESI. However, offer rates vary significantly by size of firm. In New Jersey, 96.3% of large firms (50 or more employees) offer ESI, while only 44.6% of small employers (less than 50 employees) offer ESI.

Approximately [41.1%](#) of private sector businesses that offer health insurance in New Jersey self-fund at least one health plan. 65.1% of large firms that offer health insurance self-fund at least one health plan.

Individual Market Insurance

Approximately [5.6%](#) of New Jersey residents are enrolled in the individual market (2022 data). In 2023, [341,901](#) New Jersey residents selected a plan through [GetCoveredNJ](#), which is New Jersey's state-based Marketplace (SBM). It is more challenging to ascertain enrollment numbers for off-Marketplace individual market enrollment. New Jersey is one of a few states with an [individual mandate](#) that requires most residents to maintain adequate health coverage, or else pay a tax penalty. Since 2019, the state also operates an individual market [reinsurance program](#) through an Affordable Care Act (ACA) state innovation waiver. The reinsurance program utilizes both state and federal funds to generate a 10 to 20 percent reduction in premiums on the individual market.

Individual market health insurance (both on- and off-Marketplace) is regulated in New Jersey by DOBI, which conducts oversight to ensure compliance with both state and federal health insurance laws.

Other Coverage

A small number of New Jersey residents are enrolled in other forms of insurance coverage, such as coverage for the military (TRICARE or U.S. Veterans Administration), which covers [0.4%](#), or 40,400 residents (2022 data).

The Uninsured

Approximately [6.9%](#), or 623,300 New Jersey residents are uninsured, lower than the national average of 8% (2022 data). Among the nonelderly population, people of color are significantly more likely to be uninsured in New Jersey than White people. According to available data, Hispanic residents have the highest [uninsured rate](#) (18.5%), followed by Black (7.5%), Asian American (4.6%), and White residents (3.5%). Lack of insurance is also highly correlated with income. Approximately [17.1%](#) of people under 100% FPL are the uninsured in New Jersey, while only 3.3% of people at or over 400% FPL are uninsured.

State Regulators: New Jersey

CMS is responsible for oversight of Medicare Advantage plans. The CMS Regional Office for New Jersey is based in New York. Media inquiries may be submitted [here](#). New Jersey's State Health Insurance Assistance Program (SHIP) provides [consumer-facing](#) information about Medicare plan benefits and enrollee rights.

New Jersey Department of Banking and Insurance

DOBI regulates the business of insurance in the state. For health insurance companies, the agency is responsible for:

- **Licensure:** All insurers operating in the state must demonstrate that they are financially solvent and capable of paying claims. After initial licensure, companies must file financial information with the agency on a regular basis. The agency makes annual financial statements of health insurers operating in New Jersey available [here](#).
- **Form review:** DOBI reviews health insurers' contracts and covered benefits to ensure that they comport with state and federal law, including the Affordable Care Act (ACA), Mental Health Parity and Addiction Equity Act (MHPAEA), Health Insurance Portability & Accountability Act (HIPAA), No Surprises Act, as well as state benefit mandates and network adequacy standards.
- **Rate review:** Health insurers offering plans to individuals and small employers (with fewer than 50 employees) must submit [proposed premium rates](#) to DOBI, and the agency has the authority to review and require adjustments before rates can be used. The state does not have the authority to mandate rate changes by insurers offering plans to large employers (with 50 or more employees).
- **Marketing:** The agency is responsible for oversight of insurers' marketing tactics and discouraging unfair or deceptive tactics. DOBI is also responsible for the licensing and oversight of health insurance agents and brokers.
- **Enforcement:** The agency has authority to enforce state and federal insurance laws. Enforcement tools can range from requesting a corrective action, issuing a cease-and-desist order, imposing fines, or seeking an injunction. The agency publishes notices of regulatory enforcement action [here](#). Consumers can file complaints against insurers [here](#).

- **Appeals:** Under the ACA, insurers must provide enrollees with an internal review of adverse benefit decisions and the right to an external, independent appeal. The DOBI operates New Jersey’s [external review system](#).

New Jersey Department of Human Services

New Jersey’s Department of Human Services (DHS) runs the state’s Medicaid and CHIP programs (NJ FamilyCare) and manages the contracts with the managed care organizations (MCOs) that deliver Medicaid and CHIP benefits. A list of participating MCOs is available [here](#), and monthly enrollment reports by county are available [here](#). DHS also maintains an [online data hub](#) which provides a variety of information regarding the NJ FamilyCare program, including eligibility and enrollment data, MCO caseloads, and consumer satisfaction with their health plan.

DHS contracts with an external quality review organization to conduct federally mandated annual reviews of MCOs operating in New Jersey, including assessments of quality, timeliness, and access to care. The results of these reviews are provided in reports published [here](#).

DHS can take enforcement action against an MCO if it fails to meet its contract obligations. Enforcement actions can include requiring the MCO to pay damages or to implement a corrective action plan. The agency can also suspend all or part of new member enrollments or suspend or terminate the MCO’s contract. New Jersey’s [Medical Assistance Advisory Council](#) (MAAC) advises DHS regarding issues impacting NJ FamilyCare members.

New Jersey State Attorney General

The New Jersey Attorney General’s Office represents the state in court when there is an action against an insurance company, entity, or individuals engaged in potentially fraudulent activity. The Attorney General’s Office accepts complaints from consumers who confront problems related to medical billing or insurance, and can sometimes help resolve issues. Complaints can be submitted [here](#).

Other Sources of Information

Health Insurance Navigators, Agents and Brokers (collectively, “consumer assisters”) New Jersey’s health insurance Marketplace ([GetCoveredNJ](#)) provides grants to local organizations called “Navigators” that are tasked with assisting consumers determining eligibility for subsidized coverage programs and helping them with post-enrollment questions. Health insurance and agents and brokers in New Jersey perform similar consumer assistance functions, and are generally paid on a commission basis. These consumer assisters can be helpful sources of information about health insurance and the challenges consumers face. They can be located through the [“Find Local Assistance”](#) page on the GetCoveredNJ website.