

SENATE COMMITTEE SUBSTITUTE FOR
SENATE, No. 2136

STATE OF NEW JERSEY
217th LEGISLATURE

ADOPTED SEPTEMBER 8, 2016

Sponsored by:

Senator STEVEN V. OROHO

District 24 (Morris, Sussex and Warren)

Senator PAUL A. SARLO

District 36 (Bergen and Passaic)

SYNOPSIS

Concerns electronic medical bills for workers' compensation claims.

CURRENT VERSION OF TEXT

Substitute as adopted by the Senate Labor Committee.



(Sponsorship Updated As Of: 9/9/2016)

1 AN ACT concerning electronic medical bills for workers'
2 compensation claims and supplementing Title 34 of the Revised
3 Statutes.

4
5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

7
8 1. As used in this act:

9 "Complete electronic medical bill" means a medical bill that
10 meets all of the following criteria: (1) it is submitted in the correct
11 uniform billing format, with the correct uniform billing code sets,
12 transmitted in compliance with the guidelines; (2) the bill and
13 electronic attachments provide all information required pursuant to
14 this act; and (3) the health care provider, its billing representative,
15 or any company that has purchased the rights to pursue its bill has
16 provided all information that the employer, employer's insurance
17 carrier, or workers' compensation third party administrator
18 requested.

19 "Electronic bill" means a communication between computerized
20 data exchange systems that complies with the guidelines
21 enumerated.

22 "Guidelines" means the format established by the Commissioner
23 of Labor and Workforce Development in consultation with the
24 Commissioner of Banking and Insurance pursuant to this act, which
25 shall be based upon the International Association of Industrial
26 Accident Boards and Commissions (IAIABC) Workers'
27 Compensation Electronic Medical Billing Rule and Companion
28 Guide.

29
30 2. The Commissioner of Labor and Workforce Development
31 shall adopt rules and regulations which:

32 a. require that all healthcare providers, their billing
33 representative, or any company that has purchased the rights to
34 pursue their bill submit complete electronic medical bills for
35 payment on standardized electronic forms following the guidelines
36 established pursuant to this act;

37 b. require employers, workers' compensation insurance carriers
38 of employers, or workers' compensation third-party administrators
39 to comply with the guidelines and accept electronic bills for the
40 payment of medical services;

41 c. ensure confidentiality of medical information submitted on
42 electronic bills for payment of medical services pursuant to the
43 "Workers' Compensation Medical Information Confidentiality Act,"
44 sections 5 through 9 of P.L.2001, c.326 (C.34:15-128.1 et seq.);

45 d. require that employers, workers' compensation insurance
46 carriers of employers, or workers' compensation third party
47 administrators acknowledge receipt of a complete electronic

- 1 medical bill to the party that sent the complete electronic medical
2 bill in compliance with the guidelines;
- 3 e. provide that payment for a complete electronic medical bill
4 deemed by the employer, workers' compensation insurance carrier,
5 or the workers' compensation third-party administrator to be
6 compensable shall be paid within 60 days or less; and
- 7 f. ensure that employers, workers' compensation insurance
8 carriers for the employer, and their third party administrators may
9 exchange electronic data and establish payment deadlines through
10 PPO or IPA contracts or agreements with health care providers or
11 their billing representatives in a non-prescribed format or timeline,
12 independent of the guidelines.
- 13
- 14 3. Exclusive jurisdiction for failure to comply with this act
15 shall be vested in the division pursuant to R.S.34:15-15.
- 16
- 17 4. This act shall not apply to any provider that:
- 18 a. submits less than 25 medical bills per month to employers,
19 workers' compensation insurance carriers, or the workers'
20 compensation third-party administrators;
- 21 b. furnishes services only outside of the United States;
- 22 c. experiences a disruption in electricity and communication
23 connections that are beyond its control; or
- 24 d. demonstrates that a specific and unusual circumstance exists
25 that precludes submission of electronic bills. The Commissioner of
26 Labor and Workforce Development may enumerate or provide
27 examples of unusual circumstances that may preclude electronic
28 submission.
- 29
- 30 5. This act shall take effect immediately, except that
31 employers, workers' compensation insurance carriers, or their third-
32 party administrators, and health care providers or their billing
33 representatives shall not be required to transmit or accept electronic
34 bills before the first day of the eighteenth month following the
35 adoption of rules by the Department of Labor and Workforce
36 Development in consultation with the Department of Banking and
37 Insurance that are necessary to implement this act. Nothing in this
38 act shall preclude employers, workers' compensation insurance
39 carriers, or their third-party administrators from accepting
40 electronic bill transmissions prior to that date.