

SENATE, No. 2806

STATE OF NEW JERSEY 218th LEGISLATURE

INTRODUCED JUNE 27, 2018

Sponsored by:

Senator JOSEPH A. LAGANA

District 38 (Bergen and Passaic)

Senator VIN GOPAL

District 11 (Monmouth)

SYNOPSIS

Requires filing of certain findings on out-of-network arbitrations and requires Commissioner of Banking and Insurance to conduct surveys and produce certain reports.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning health insurance and arbitration and
2 supplementing P.L.2018, c.32 (C.26:2SS-1 et seq.).
3

4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*
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7 1. a. Any entities under contract with by the Department of
8 Banking and Insurance pursuant to paragraph (3) of subsection b. of
9 section 10 of P.L.2018, c.32 (C.26:2SS-10) shall file the written
10 findings of any arbitration with the Commissioner of Banking and
11 Insurance, who shall establish a record of the proceedings
12 conducted under the arbitration. The name of any injured party
13 shall be redacted in the copy filed with the commissioner to protect
14 the privacy of the injured person.

15 b. (1) Beginning with the receipt of the first written findings
16 by the commissioner and continuing for a period of 90 days, the
17 commissioner shall conduct a survey of the parties to any
18 arbitrations for which the commissioner receives written findings.
19 The survey shall elicit participants' feedback on the arbitration
20 process with the aim of making improvements to the process.

21 (2) The commissioner shall analyze the written findings and
22 surveys during that 90 day period and produce a report detailing her
23 findings and recommendations concerning the arbitration process,
24 to be delivered to the Governor and Legislature within 120 days of
25 the receipt of the first written findings by the commissioner. The
26 commissioner shall consider and include a summary of the survey
27 information in her findings and recommendations. The survey
28 information included in the report shall not include any information
29 specifically identifying the provider, carrier, or covered person
30 involved in any arbitration decision. The report shall include an
31 examination of the arbitration results as compared to national data,
32 such as the data included in the FAIR Health Database and similar
33 criteria of usual and customary reimbursement amounts.

34 c. After the first report is delivered to the Governor and
35 Legislature, the commissioner shall produce reports every two years
36 analyzing any written findings filed with the commissioner pursuant
37 to this act. The commissioner may contract with the entities
38 contracted with pursuant to paragraph (3) of subsection b. of section
39 10 of P.L.2018, c.32 (C.26:2SS-10) to satisfy the provisions of this
40 subsection.
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42 2. This act shall take effect immediately.
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45 STATEMENT
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47 This bill requires the filing of certain findings on out-of-network

1 arbitrations and requires the Commissioner of Banking and
2 Insurance to conduct surveys and produce certain reports.

3 Specifically, the bill requires any entities contracted with by the
4 Commissioner of Banking and Insurance to conduct arbitrations
5 pursuant to the “Out-of-network Consumer Protection,
6 Transparency, Cost Containment and Accountability Act,”
7 P.L.2018, c.32, to file with the commissioner the written findings of
8 any arbitrations. The bill requires the commissioner to establish a
9 record of the proceedings conducted under those arbitrations. The
10 name of any injured party is required to be redacted in the copy
11 filed with the commissioner to protect the privacy of the injured
12 person.

13 Beginning with the receipt of the first written findings by the
14 commissioner and continuing for a period of 90 days, the
15 commissioner is required to conduct a survey of the parties to any
16 arbitration for which the commissioner receives written findings.
17 The survey is to elicit participants’ feedback on the arbitration
18 process with the aim of making improvements to the process.

19 The bill requires the commissioner to analyze the written
20 findings and surveys during that 90 day period and produce a report
21 detailing her findings and recommendations concerning the
22 arbitration process, to be delivered to the Governor and Legislature
23 within 120 days of the receipt of the first written findings by the
24 commissioner. The survey information included in the report is not
25 to include any information specifically identifying the provider,
26 carrier, or covered person involved in any arbitration decision. The
27 report must include an examination of the arbitration results as
28 compared to national data, such as the data included in the FAIR
29 Health Database and similar criteria of usual and customary
30 reimbursement amounts.

31 The bill also provides that after the first report is delivered to the
32 Governor and Legislature, the commissioner must produce reports
33 every two years analyzing any written findings filed with the
34 commissioner. The commissioner may contract with the entities
35 contracted with pursuant to the “Out-of-network Consumer
36 Protection, Transparency, Cost Containment and Accountability
37 Act,” P.L.2018, c.32, to satisfy this requirement.