## [Second Reprint]

# SENATE, No. 3036

# STATE OF NEW JERSEY

### 218th LEGISLATURE

INTRODUCED OCTOBER 15, 2018

**Sponsored by:** 

Senator JOSEPH A. LAGANA
District 38 (Bergen and Passaic)
Senator NICHOLAS P. SCUTARI
District 22 (Middlesex, Somerset and Union)
Assemblyman RONALD S. DANCER
District 12 (Burlington, Middlesex, Monmouth and Ocean)
Assemblywoman JOANN DOWNEY
District 11 (Monmouth)

#### **SYNOPSIS**

Prohibits medical providers from reporting certain workers' compensation medical charges to collection and credit reporting agencies.

### **CURRENT VERSION OF TEXT**

As reported by the Senate Budget and Appropriations Committee on March 18, 2019, with amendments.



(Sponsorship Updated As Of: 1/14/2020)

**AN ACT** concerning medical claims in connection with work-related injuries and illnesses and amending R.S.34:15-15.

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

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#### 1. R.S.34:15-15 is amended to read as follows:

34:15-15. The employer shall furnish to the injured worker such medical, surgical and other treatment, and hospital service as shall be necessary to cure and relieve the worker of the effects of the injury and to restore the functions of the injured member or organ where such restoration is possible; provided, however, that the employer shall not be liable to furnish or pay for physicians' or surgeons' services in excess of \$50.00 and in addition to furnish hospital service in excess of \$50.00, unless the injured worker or the worker's physician who provides treatment, or any other person on the worker's behalf, shall file a petition with the Division of Workers' Compensation stating the need for physicians' or surgeons' services in excess of \$50.00, as aforesaid, and such hospital service or appliances in excess of \$50.00, as aforesaid, and the Division of Workers' Compensation after investigating the need of the same and giving the employer an opportunity to be heard, shall determine that such physicians' and surgeons' treatment and hospital services are or were necessary, and that the fees for the same are reasonable and shall make an order requiring the employer to pay for or furnish the same. The mere furnishing of medical treatment or the payment thereof by the employer shall not be construed to be an admission of liability.

If the employer shall refuse or neglect to comply with the foregoing provisions of this section, the employee may secure such treatment and services as may be necessary and as may come within the terms of this section, and the employer shall be liable to pay therefor; provided, however, that the employer shall not be liable for any amount expended by the employee or by any third person on the employee's behalf for any such physicians' treatment and hospital services, unless such employee or any person on the employee's behalf shall have requested the employer to furnish the same and the employer shall have refused or neglected so to do, or unless the nature of the injury required such services, and the employer or the superintendent or foreman of the employer, having knowledge of such injury shall have neglected to provide the same, or unless the injury occurred under such conditions as make impossible the notification of the employer, or unless the circumstances are so peculiar as shall justify, in the opinion of the

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined <u>thus</u> is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup>Senate SCM committee amendments adopted March 4, 2019.

<sup>&</sup>lt;sup>2</sup>Senate SBA committee amendments adopted March 18, 2019.

Division of Workers' Compensation, the expenditures assumed by the employee for such physicians' treatment and hospital services, apparatus and appliances.

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All fees and other charges for such physicians' and surgeons' treatment and hospital treatment shall be reasonable and based upon the usual fees and charges which prevail in the same community for similar physicians', surgeons' and hospital services.

When an injured employee may be partially or wholly relieved of the effects of a permanent injury, by use of an artificial limb or other appliance, which phrase shall also include artificial teeth or glass eye, the Division of Workers' Compensation, acting under competent medical advice, is empowered to determine the character and nature of such limb or appliance, and to require the employer or the employer's insurance carrier to furnish the same.

Fees for <sup>2</sup> [treatments or ] <sup>2</sup> medical <sup>2</sup>, surgical, other treatment, or hospital <sup>2</sup> services that have been authorized by the employer or its carrier or its third party administrator or determined by the Division of Workers' Compensation to be the responsibility of the employer, its carrier or third party administrator, or have been paid by the employer, its carrier or third party administrator pursuant to the workers' compensation law, R.S.34:15-1 et seq., shall not be charged against or collectible from the injured worker. Exclusive jurisdiction for any disputed medical charge arising from any claim for compensation for a work-related injury or illness shall be vested in the division. The treatment of an injured worker or the payment of workers' compensation to an injured worker or dependent of an injured or deceased worker shall not be delayed because of a claim by a medical provider.

No provider <sup>2</sup>to the injured worker <sup>2</sup> of medical <sup>2</sup>[benefits or services who has been paid in part or in whole, or who may be payable, or who has been alleged to be payable in part or in whole by an employer or its carrier or its third party administrator], surgical, other treatment, or hospital service<sup>2</sup> pursuant to the workers' compensation law, R.S.34:15-1 et seq., shall report any portion of their charges which are alleged to be unpaid, to any collection or credit reporting agency, bureau, or data collection facility until: (1) a judge of compensation within the Division of Workers' Compensation has fully adjudicated the rights and liabilities of all parties, including the rights of the claimant for <sup>2</sup>[medical]<sup>2</sup> payments pursuant to this section, section 1 of P.L.1953, c.207 (C.34:15-15.1), and section 1 of P.L.1966, c.115 (C.34:15-15.2), regarding the payment of these charges; or (2) a notice of a stipulation settlement or an order approving settlement regarding the payment of these charges has been filed with the court. Upon a finding that non-compliance with this paragraph has occurred, a judge of compensation, in summary fashion, and in

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1 addition to such other provisions under the workers' compensation 2 law, R.S.34:15-1 et seq., may: a. order the non-compliant <sup>1</sup>[party] <sup>2</sup>[medical] <sup>2</sup> provider <sup>1</sup> to 3 retract the medical <sup>2</sup>, surgical, other treatment, or hospital service<sup>2</sup> 4 charges reported to the collection or credit reporting agency, 5 6 bureau, or data collection facility; b. impose a fine on the non-compliant <sup>1</sup>[party] <sup>2</sup>[medical]<sup>2</sup> 7 provider<sup>1</sup>, not to exceed \$5,000, payable to the Second Injury Fund; 8 c. order <sup>2</sup>the non-compliant provider to pay<sup>2</sup> a reasonable 9 counsel fee in connection with a claimant for <sup>2</sup> [medical]<sup>2</sup> payments 10 who has suffered damage to credit rating due to the reporting of 11 unpaid medical<sup>2</sup>, surgical, other treatment, or hospital service<sup>2</sup> 12 charges to a collection or credit reporting agency, bureau, or data 13 14 collection facility; d. order the non-compliant <sup>1</sup>[party] <sup>2</sup>[medical] <sup>2</sup> provider <sup>1</sup> to 15 take such steps as are necessary, within 30 days of the order, to 16 rehabilitate the credit record of a claimant, with a showing made to 17 18 the court of the efforts made in that regard; and e. order the non-compliant [medical] provider to pay an 19 award of damages to the claimant not to exceed 25 percent of the 20 medical<sup>2</sup>, surgical, other treatment, or hospital service<sup>2</sup> charges 21 reported by the non-compliant '[party] '[medical]' provider to 22 the collection or credit reporting agency, bureau, or data collection 23 facility, the minimum award being \$350.00. 24 (cf: P.L.2012, c.67, s.1)

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2. This act shall take effect immediately.