ASSEMBLY, No. 3605

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED MARCH 5, 2020

Sponsored by:
Assemblywoman ANNETTE QUIJANO
District 20 (Union)
Assemblywoman CAROL A. MURPHY
District 7 (Burlington)

SYNOPSIS
   Prohibits insurers, SHBP, and SEHBP from charging fee for paper bills and notices.

CURRENT VERSION OF TEXT
   As introduced.

(Sponsorship Updated As Of: 7/9/2020)

1   **AN ACT** concerning insurance billing practices and supplementing
2   various parts of the statutory law.
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. As used in this section:
8   "Commissioner" means the Commissioner of Banking and
9   Insurance.
10   "Insurer" means:
11   (1) Any corporation, association, partnership, reciprocal
12   exchange, interinsurer, Lloyd's insurer, fraternal benefit society, or
13   other person engaged in the business of insurance pursuant to
14   Subtitle 3 of Title 17 of the Revised Statutes or Subtitle 3 of Title
15   17B of the New Jersey Statutes;
16   (2) Any medical service corporation operating pursuant to
17   P.L.1940, c.74 (C.17:48A-1 et seq.);
18   (3) Any hospital service corporation operating pursuant to
19   P.L.1938, c.366 (C.17:48-1 et seq.);
20   (4) Any health service corporation operating pursuant to
21   P.L.1985, c.236 (C.17:48E-1 et seq.);
22   (5) Any health maintenance organization established pursuant to
23   the provisions of P.L.1973, c.337 (C.26:2J-1 et seq.);
24   (6) Any insurance plan operating pursuant to P.L.1970, c.215
25   (C.17:29D-1);
26   (7) The New Jersey Insurance Underwriting Association
27   operating pursuant to P.L.1968, c.129 (C.17:37A-1 et seq.).
28   b.   No insurer shall charge a fee to furnish tangible printed or
29   paper bills or notices, with respect to any insurance policy, to an
30   insured or other owner of that policy.
31   c.   If the commissioner finds, after notice and hearing, that an
32   insurer has a pattern and practice of charging a fee prohibited by
33   this section, the commissioner may, after notice and hearing, order
34   the payment of a penalty not to exceed $1,000 for each offense.
35   Each instance of a fee prohibited by this section that is charged to
36   an insured or other owner of that policy shall be a separate offense
37   and subject to assessment of a separate penalty. Penalties assessed
38   pursuant to this section shall be collected by the commissioner
39   pursuant to the "Penalty Enforcement Law of 1999," P.L.1999,
40   c.274 (C.2A:58-10 et seq.).
41

42   2.   The State Health Benefits Commission shall not charge a fee
43   to furnish tangible printed or paper bills or notices, with respect to
44   any health plan included in the State Health Benefits Program to
45   any member of the State Health Benefits Program.
46

47   3.   The School Employees' Health Benefits Commission shall
48   not charge a fee to furnish tangible printed or paper bills or notices,

1   with respect to any health plan included in the School Employees'

2   Health Benefits Program to any member of the School Employees'

3   Health Benefits Program.

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5   4. This act shall take effect on the 90th day next following

6   enactment.

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9   STATEMENT

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11   This bill prohibits any insurer from charging a fee to furnish

12   tangible printed or paper bills or notices, with respect to any

13   insurance policy, to an insured or other owner of that policy.

14   Insurance policies referred to under the bill include automobile

15   insurance policies, homeowners policies, individual life and health

16   insurance policies. In addition, the bill prohibits the State Health

17   Benefits Commission and School Employees' Health Benefits

18   Commission from charging a fee to furnish tangible printed or paper

19   bills or notices to any member of the State Health Benefits Program

20   or the School Employees' Health Benefits Program.

21   This bill ensures that an insured, or other owner of the policy,

22   will not be charged an additional fee if the insured or other owner

23   of the policy elects to receive tangible printed or paper bills or

24   notices in place of digital access to the same.