

ASSEMBLY, No. 1412

STATE OF NEW JERSEY

INTRODUCED JANUARY 29, 1996

By Assemblyman DORIA

1 AN ACT concerning managed care health benefits plans and  
2 supplementing Title 26 of the Revised Statutes.

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

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7 1. This act shall be known and may be cited as the "Patient Right-  
8 to-Know Act."

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10 2. As used in this act:

11 "Carrier" means an insurance company, health service corporation,  
12 hospital service corporation, medical service corporation or health  
13 maintenance organization authorized to issue health benefits plans in  
14 this State.

15 "Commissioner" means the Commissioner of Health.

16 "Covered person" means a person on whose behalf a managed care  
17 entity is obligated to pay benefits pursuant to the managed care plan.

18 "Covered service" means a health care service provided to a  
19 covered person under a managed care plan for which the managed care  
20 entity is required to pay benefits.

21 "Department" means the Department of Health.

22 "Health benefits plan" means a policy, contract or other agreement  
23 delivered or issued for delivery in this State by a carrier.

24 "Health care professional" means a health care professional licensed  
25 pursuant to Title 45 of the Revised Statutes.

26 "Health care provider" means a health care facility as defined in  
27 section 2 of P.L.1971, c.136 (C.26:2H-2) or a health care professional  
28 or other provider recognized under State law.

29 "Health care service" means a service that is provided by a health  
30 care provider, including admitting a patient to a health care facility,  
31 and that is involved in or incident to the furnishing to a person of  
32 preventive, diagnostic, therapeutic, or rehabilitative care for the  
33 purpose of ensuring the restoration, protection, maintenance, and  
34 support of physical, mental, or emotional health.

35 "Managed care entity" means a carrier that operates a managed care  
36 plan.

1 "Managed care plan" means a health benefits plan that integrates the  
2 financing and delivery of appropriate health care services to covered  
3 persons by arrangements with participating providers, who are selected  
4 to participate on the basis of explicit standards, to furnish a  
5 comprehensive set of health care services and financial incentives for  
6 covered persons to use the participating providers and procedures  
7 provided for in the plan. Managed care includes, but is not limited to,  
8 a health maintenance organization or any other similar health benefits  
9 delivery system, whether issued by or through a carrier.

10 "Participating provider" means a health care provider that has  
11 entered into an agreement with a managed care entity to provide health  
12 care services to a covered person.

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14 3. a. A covered person shall be entitled to review upon request a  
15 copy of the contract between a participating provider and a managed  
16 care entity which governs the provision of covered services to the  
17 covered person, and to receive a copy of the contract upon request at  
18 a reasonable cost to be determined by the commissioner.

19 b. A participating provider shall post in a conspicuous public place  
20 a notice which advises covered persons of the provisions of subsection  
21 a. of this section.

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23 4. The commissioner, pursuant to the "Administrative Procedure  
24 Act," P.L.1968, c.410 (C.52:14B-1 et seq.), and in consultation with  
25 the Commissioner of Insurance, shall adopt rules and regulations to  
26 effectuate the purposes of this act.

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28 5. This act shall take effect immediately.

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## STATEMENT

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33 This bill requires health care providers participating in managed  
34 care health benefits plans to make available to their patients who are  
35 covered by such plans, upon their request, a copy of the contract  
36 between the provider and the managed care entity which governs the  
37 provision of health care services to that patient.

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Designated the "Patient Right-to-Know Act."