

ASSEMBLY, No. 6031

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED NOVEMBER 15, 2021

Sponsored by:
Assemblyman JAY WEBBER
District 26 (Essex, Morris and Passaic)

SYNOPSIS

Establishes grant program in Department of Treasury for certain employers affected by winding down of Affiliated Physicians and Employers Master Trust; makes appropriation.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT establishing a grant program for certain employers, and
2 making an appropriation.

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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. a. The State Treasurer shall establish a program providing
8 grants as specified in subsection b. of this section to employers that
9 were members of the Affiliated Physicians and Employers Master
10 Trust during 2020 and 2021 and who were affected by the winding
11 down of the Affiliated Physicians and Employers Master Trust.
12 The State Treasurer shall contact each employer that was a member
13 of the Affiliated Physicians and Employers Master Trust during
14 2020 or 2021 and provide the employer with information about the
15 program and an application to apply for a grant pursuant to this act.

16 b. An employer that was a member of the Affiliated Physicians
17 and Employers Master Trust may apply to the State Treasurer for a
18 grant pursuant to this act and the State Treasurer shall evaluate
19 applications and make grants as appropriate. No grant shall be
20 awarded pursuant to this act after the end of the 24th month
21 following the effective date of this act. The State Treasurer shall
22 evaluate applications from any employer that was a member of the
23 Affiliated Physicians and Employers Master Trust during 2020 or
24 2021 that was required to pay an assessment due to liabilities of the
25 Affiliated Physicians and Employers Master Trust. The grant shall
26 be limited to the amount of the assessment required to be paid by
27 the employer.

28 c. Out of the amounts of federal government assistance
29 provided to this State with regard to the coronavirus disease 2019
30 pandemic which may be available to address the public health and
31 economic challenges that have contributed to the impact of the
32 pandemic, there are allocated such amounts that are necessary to
33 effectuate the purposes of this act.

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35 2. This act shall take effect immediately and shall expire 24
36 months following that date.

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39 STATEMENT

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41 This bill establishes a grant program in the Department of
42 Treasury for certain employers affected by the winding down of the
43 Affiliated Physicians and Employers Master Trust.

44 Specifically, the bill requires the State Treasurer to establish a
45 program providing grants to employers that were members of the
46 Affiliated Physicians and Employers Master Trust during 2020 and
47 2021 and who were affected by the winding down of the Affiliated
48 Physicians and Employers Master Trust. The bill requires the State

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1 Treasurer to contact each employer that was a member of the
2 Affiliated Physicians and Employers Master Trust during 2020 or
3 2021 and to provide the employer with information about the
4 program and an application to apply for a grant.

5 The bill provides that an employer that was a member of the
6 Affiliated Physicians and Employers Master Trust may apply to the
7 State Treasurer for a grant and the State Treasurer is to evaluate
8 applications and make grants as appropriate. No grant may be
9 awarded pursuant to the bill after the end of the 24th month
10 following the effective date of the bill. The bill requires the State
11 Treasurer to evaluate applications from any employer that was a
12 member of the Affiliated Physicians and Employers Master Trust
13 during 2020 or 2021 that was required to pay an assessment due to
14 liabilities of the Affiliated Physicians and Employers Master Trust.
15 The grant is limited to the amount of the assessment required to be
16 paid by the employer.

17 The bill allocates such amounts from federal government
18 assistance that are necessary to effectuate the purposes of the bill.

19 The Affiliated Physicians and Employers Master Trust, doing
20 business as the Members Health Plan NJ, is a self-funded multiple
21 employer welfare arrangement that provides health benefits for
22 about 2,500 physician practices and other small businesses in New
23 Jersey. The trust filed for bankruptcy in May, 2021, as a result of
24 millions of dollars in pandemic-related testing cost and treatment
25 claims. Because the trust cannot pay the costs associated with these
26 benefits, employers who are members of the trust have been
27 required to pay an assessment based on their liabilities. This bill
28 establishes a grant program to reimburse these employers for the
29 cost of the assessments.