

ASSEMBLY, No. 4485

STATE OF NEW JERSEY 220th LEGISLATURE

INTRODUCED SEPTEMBER 15, 2022

Sponsored by:

Assemblyman HERB CONAWAY, JR.

District 7 (Burlington)

Assemblywoman ANGELA V. MCKNIGHT

District 31 (Hudson)

SYNOPSIS

Requires health insurance carriers to provide adequate network of physicians.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 9/15/2022)

1 AN ACT concerning network adequacy and supplementing
2 P.L.1997, c.192 (C.26:2S-1 et al.).

3

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

6

7 1. As used in this act:

8 "Carrier" means an insurance company, health service
9 corporation, hospital service corporation, medical service
10 corporation, or health maintenance organization authorized to issue
11 health benefits plans in this State, and shall include the State Health
12 Benefits Program, the School Employees' Health Benefits Program,
13 the Medicaid program, and a Medicaid managed care organization.

14 "Commissioner" means the Commissioner of Banking and
15 Insurance and the Commissioner of Health.

16 "Medicaid" means the Medicaid program established pursuant to
17 P.L.1968, c.413 (C.30:4D-1 et seq.).

18 "Network" means those physicians who participate as in-network
19 providers within a health benefits plan.

20 "Office based medical specialist" means physicians practicing in
21 specialty areas recognized by the American Board of Medical
22 Specialties, American Osteopathic Association or the American
23 Podiatric Medical Association that are usually located in office-
24 based practices other than those physicians included in the
25 definition of "primary care physician" pursuant to this section.

26 "Primary care physician" means a physician who:

27 (1) has successfully completed a residency program accredited
28 by the Accreditation Council for Graduate Medical Education or
29 approved by the American Osteopathic Association in the specialty
30 of general family medicine, general internal medicine, obstetrics
31 and gynecology or general pediatrics; or

32 (2) has been evaluated by a carrier's committee charged with
33 setting standards for and reviewing provider credentialing under the
34 direction of the carrier's medical director, and who is found by that
35 committee to demonstrate through training, education and
36 experience or expertise in primary care.

37

38 2. All networks shall have a sufficient number of physicians to
39 ensure that 100 percent of covered persons reside no more than:

40 a. a 20 minute drive or 10 miles, whichever is less, from at
41 least three primary care physicians within each type of primary care
42 specialty as defined pursuant to section 1 of P.L. , c. (C.)
43 (pending before the Legislature as this bill) and within the
44 geographic boundaries of the State; and

45 b. a 30 minute drive or 15 miles, whichever is less, from at
46 least three office-based medical specialists within each specialty as
47 defined pursuant to section 1 of P.L. , c. (C.) (pending
48 before the Legislature as this bill) and within the geographic
49 boundaries of the State.

- 1 3. a. Pursuant to section 2 of P.L. , c. (C.) (pending
2 before the Legislature as this bill), a network shall have a sufficient
3 number of physicians to:
- 4 (1) meet the health needs of covered persons;
 - 5 (2) provide an appropriate choice of physicians sufficient to
6 render services covered by the health benefits plan; and
 - 7 (3) reasonably ensure that covered persons have timely access,
8 as required pursuant to section 2 of P.L. , c. (C.) (pending
9 before the Legislature as this bill), to in-network facilities.
- 10 b. For purposes of determining whether a sufficient number of
11 physicians are included in the network, the commissioner shall
12 ensure that a carrier providing benefits for emergency services shall
13 ensure that:
- 14 (1) requests for emergency care shall be triaged immediately or
15 no later than one hour from the request for emergency care;
 - 16 (2) requests for urgent care be provided within 24 hours of
17 notification of the carrier;
 - 18 (3) requests for a routine appointment be scheduled within two
19 weeks; and
 - 20 (4) requests for a routine physical examination be scheduled
21 within three months.
- 22 c. Nothing in P.L. , c. (C.) (pending before the
23 Legislature as this bill) shall preclude a health benefits plan from
24 offering services via telehealth or telemedicine, but services offered
25 via telehealth or telemedicine shall not be counted toward
26 compliance with network adequacy requirements of P.L. ,
27 c. (C.) (pending before the Legislature as this bill).
- 28 d. Nothing in P.L. , c. (C.) (pending before the
29 Legislature as this bill) shall preclude a health benefits plan from
30 including providers other than physicians, including but not limited
31 to physician assistants, advanced practice nurses and registered
32 nurses, in a network, but inclusion of such non-physician providers
33 shall not be counted toward compliance with network adequacy
34 requirements of P.L. , c. (C.) (pending before the
35 Legislature as this bill).
- 36
- 37 4. Upon seeking initial approval of a network and pursuant to
38 P.L. , c. (C.) (pending before the Legislature as this bill), a
39 carrier shall submit a plain language description of the network to
40 the commissioner with information sufficient to allow the
41 commissioner to determine whether the network is in compliance
42 with the provisions of P.L. , c. (C.) (pending before the
43 Legislature as this bill). The commissioner shall investigate the
44 information supplied in the description to ensure compliance.
45 Annually thereafter, the carrier shall submit an updated, plain
46 language description of the network to the commissioner and shall
47 certify that the network described therein remains compliant with
48 the provisions of P.L. , c. (C.) (pending before the
49 Legislature as this bill). The commissioner may investigate the

1 updated description for compliance with the provisions of P.L. ,
2 c. (C.) (pending before the Legislature as this bill).

3

4 5. The Commissioner of Banking and Insurance and the
5 Commissioner of Human Services shall establish a system by which
6 covered persons may file formal complaints concerning network
7 adequacy with the Department of Banking and Insurance or the
8 Department of Human Services.

9

10 6. A carrier shall display the plain language description of each
11 network available to the public in a conspicuous location on its
12 internet website within 20 days of the submission of the description
13 to the commissioner.

14

15 7. An entity providing or administering a self-funded health
16 benefits plan which is subject to the "Employee Retirement Income
17 Security Act of 1974," 29 U.S.C. s.1001 et seq., may elect to meet
18 the requirements of P.L. , c. (C.) (pending before the
19 Legislature as this bill).

20

21 8. A carrier that violates any provision of P.L. , c. (C.)
22 (pending before the Legislature as this bill) shall be subject to the
23 penalties provided pursuant to section 16 of P.L.1997, c.192
24 (C.26:2S-16).

25

26 9. The commissioner shall annually provide a report to the
27 Legislature, in accordance with section 2 of P.L.1991, c.164
28 (C.52:14-19.1), containing the descriptions of each network.

29

30 10. The Commissioner of Banking and Insurance and the
31 Commissioner of Human Services shall adopt rules and regulations
32 pursuant to the "Administrative Procedure Act," P.L.1968, c.410
33 (C.52:14B-1 et seq.) to effectuate the purposes of this act.

34

35 11. This act shall take effect on the first day of the third month
36 next following the date of enactment, except that the Commissioner
37 of Banking and Insurance and the Commissioner of Human
38 Services may take such anticipatory administrative action in
39 advance as shall be necessary for the implementation of this act.

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STATEMENT

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44 This bill requires health insurance carriers to provide an
45 adequate network of physicians.

46 Under the bill, a carrier will ensure that a network have a
47 sufficient number of physicians to ensure that 100 percent of
48 covered persons reside no more than:

1 (1) a 20 minute drive or 10 miles, whichever is less, from at
2 least three primary care physicians within each type of primary care
3 specialty as defined in the bill and within the geographic boundaries
4 of the State; and

5 (2) a 30 minute drive or 15 miles, whichever is less, from at
6 least three office-based medical specialists within each specialty as
7 defined in the bill and within the geographic boundaries of the
8 State.

9 Under the bill, a network will be required to have a sufficient
10 number of physicians to:

11 (1) meet the health needs of covered persons;

12 (2) provide an appropriate choice of physicians sufficient to
13 render services covered by the health benefits plan; and

14 (3) reasonably ensure that covered persons have timely access to
15 in-network facilities.

16 The bill provides that a carrier will be required to submit a plain
17 language description of the network to the commissioner with
18 information sufficient to allow the commissioner to determine
19 whether the network is in compliance with the provisions of the bill.
20 The commissioner will investigate the information supplied in the
21 description to ensure compliance. Annually thereafter, the carrier
22 will be required to submit an updated, plain language description of
23 the network to the commissioner and must certify that the network
24 described remains compliant with the provisions of the bill.

25 Additionally, the bill requires the Commissioner of Banking and
26 Insurance and the Commissioner of Human Services to establish a
27 system by which a covered person may file a formal complaint
28 concerning network adequacy with the Department of Banking and
29 Insurance or the Department of Human Services. The bill also
30 requires a carrier to display the plain language description of each
31 network available to the public in a conspicuous location within its
32 internet website within 20 days of the submission of the description
33 to the commissioner.