

SENATE, No. 523

STATE OF NEW JERSEY
221st LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2024 SESSION

Sponsored by:
Senator JON M. BRAMNICK
District 21 (Middlesex, Morris, Somerset and Union)

SYNOPSIS
Allows physicians to jointly negotiate with carriers over contractual terms and conditions.

CURRENT VERSION OF TEXT
Introduced Pending Technical Review by Legislative Counsel.



1 AN ACT providing for joint negotiations by physicians with carriers,
2 supplementing Title 52 of the Revised Statutes, and repealing
3 P.L.2001, c.371.
4

5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
6 *of New Jersey:*
7

8 1. The Legislature finds and declares that:

9 a. Active, robust and fully competitive markets for health care
10 services provide the best opportunity for the residents of this State
11 to receive high-quality health care services at an appropriate cost;

12 b. A substantial amount of health care services in this State is
13 purchased for the benefit of patients by health insurance carriers
14 engaged in the financing of health care services or is otherwise
15 delivered subject to the terms of agreements between carriers and
16 physicians;

17 c. Carriers are able to control the flow of patients to physicians
18 through compelling financial incentives for patients in their health
19 benefits plans to utilize only the services of physicians with whom
20 the carriers have contracted;

21 d. Carriers also control the health care services rendered to
22 patients through utilization management and other managed care
23 tools and associated coverage and payment policies;

24 e. Carriers are often able to virtually dictate the terms of the
25 contracts that they offer physicians and commonly offer these
26 contracts on a take-it-or-leave-it basis;

27 f. The power of carriers to unilaterally impose provider
28 contract terms jeopardizes the ability of physicians to deliver the
29 superior quality health care services traditionally available in this
30 State;

31 g. Physicians do not have sufficient market power to reject
32 unfair provider contract terms offered by carriers that impede their
33 ability to deliver medically appropriate care without undue delay or
34 difficulties;

35 h. Inadequate reimbursement and other unfair payment terms
36 offered by carriers adversely affect the quality of patient care and
37 access to care by reducing the resources that physicians can devote
38 to patient care and decreasing the time that physicians are able to
39 spend with their patients;

40 i. Inequitable reimbursement and other unfair payment terms
41 also endanger the health care infrastructure and medical progress by
42 diverting capital needed for reinvestment in the health care delivery
43 system, curtailing the purchase of state-of-the-art technology, the
44 pursuit of medical research, and expansion of medical services, all
45 to the detriment of the residents of this State;

46 j. The inevitable collateral reduction and migration of the
47 health care work force will also have negative consequences for the
48 economy of this State;

1 k. Empowering independent physicians to jointly negotiate
2 with carriers as provided in this act will help restore the competitive
3 balance and improve competition in the markets for health care
4 services in this State, thereby providing benefits for consumers,
5 physicians and less dominant carriers;

6 l. This act is necessary and proper, and constitutes an
7 appropriate exercise of the authority of this State to regulate the
8 business of insurance and the delivery of health care services;

9 m. The pro-competitive and other benefits of the joint
10 negotiations and related joint activity authorized by this act,
11 including, but not limited to, restoring the competitive balance in
12 the market for health care services, protecting access to quality
13 patient care, promoting the health care infrastructure and medical
14 progress, and improving communications, outweigh any potential
15 anti-competitive effects of this act; and

16 n. It is the intention of the Legislature to authorize independent
17 physicians to jointly negotiate with carriers and to qualify such joint
18 negotiations and related joint activities for the State-action
19 exemption to the federal antitrust laws through the articulated State
20 policy and active supervision provided under this act.

21

22 2. As used in this act:

23 "Carrier" means an insurance company, health service
24 corporation, hospital service corporation, medical service
25 corporation or health maintenance organization which is authorized
26 to issue health benefits plans in this State.

27 "Covered person" means a person on whose behalf a carrier
28 which offers a health benefits plan is obligated to pay benefits or
29 provide services pursuant to the plan.

30 "Covered service" means a health care service provided to a
31 covered person under a health benefits plan for which the carrier is
32 obligated to pay benefits or provide services.

33 "Health benefits plan" means a plan which pays or provides
34 hospital and medical expense benefits for covered services, and is
35 delivered or issued for delivery in this State by or through a carrier.
36 For the purposes of this act, health benefits plan shall not include
37 the following plans, policies or contracts: Medicare supplement
38 coverage and risk contracts, accident only, specified disease or
39 other limited benefit, credit, disability, long term care, TRICARE
40 supplement coverage, coverage arising out of a workers'
41 compensation or similar law, automobile medical payment
42 insurance, personal injury protection insurance issued pursuant to
43 P.L.1972, c.70 (C.39:6A-1 et seq.), dental or vision care coverage
44 only, or hospital expense or confinement indemnity coverage only.

45 "Joint negotiation representative" means a representative selected
46 by two or more independent physicians to engage in joint
47 negotiations with a carrier on their behalf.

1 "Physician" means a person who is licensed to practice medicine
2 and surgery by the State Board of Medical Examiners in accordance
3 with the provisions of Title 45 of the Revised Statutes.

4 "Utilization management" means a system for reviewing the
5 appropriate and efficient allocation of health care services under a
6 health benefits plan in accordance with specific guidelines, for the
7 purpose of determining whether, or to what extent, a health care
8 service that has been provided or is proposed to be provided to a
9 covered person is to be covered under the health benefits plan.

10
11 3. Two or more independent physicians who are practicing in
12 the service area of a carrier may jointly negotiate with a carrier and
13 engage in related joint activity, as provided in this act, regarding
14 non-fee-related matters which may affect patient care, including,
15 but not limited to, any of the following:

16 a. the definition of medical necessity and other conditions of
17 coverage;

18 b. utilization management criteria and procedures;

19 c. clinical practice guidelines;

20 d. preventive care and other medical management policies;

21 e. patient referral standards and procedures, including, but not
22 limited to, those applicable to out-of-network referrals;

23 f. drug formularies and standards and procedures for
24 prescribing off-formulary drugs;

25 g. quality assurance programs;

26 h. respective physician and carrier liability for the treatment or
27 lack of treatment of covered persons;

28 i. the methods and timing of payments;

29 j. other administrative procedures, including, but not limited
30 to, eligibility verification systems and claim documentation
31 requirements for covered persons;

32 k. credentialing standards and procedures for the selection,
33 retention and termination of participating physicians;

34 l. mechanisms for resolving disputes between the carrier and
35 physicians, including, but not limited to, the appeals process for
36 utilization management and credentialing determinations;

37 m. the health benefits plans sold or administered by the carrier
38 in which the physicians are required to participate;

39 n. the formulation and application of reimbursement
40 methodology;

41 o. the terms and conditions of physician contracts, including,
42 but not limited to, all products clauses, and the duration and
43 renewal provisions of the contract; and

44 p. the inclusion or alteration of a contractual term or condition,
45 except when the inclusion or alteration is required by a federal or
46 State regulation concerning that term or condition; however, the
47 restriction shall not limit a physician's rights to jointly petition the
48 federal or State government, as applicable, to change the regulation.

1 4. a. Upon a finding by the Attorney General, in consultation
2 with the Commissioner of Banking and Insurance, that the carrier
3 has substantial market power in its service area and that any of the
4 terms or conditions of the contract with the carrier pose an actual or
5 potential threat to the quality and availability of patient care among
6 covered persons, two or more independent physicians who are
7 practicing in the service area of a carrier may jointly negotiate with
8 the carrier and engage in related joint activity, as provided in this
9 act regarding fees and fee-related matters, including, but not limited
10 to, any of the following:

11 (1) the amount of payment or the methodology for determining
12 the payment for a health care service, including, but not limited to,
13 cost of living increases;

14 (2) the conversion factor for a resource-based relative value
15 scale or similar reimbursement methodology for health care
16 services;

17 (3) the amount of any discount on the price of a health care
18 service;

19 (4) the procedure code or other description of a health care
20 service covered by a payment and the appropriate grouping of the
21 procedure codes;

22 (5) the amount of a bonus related to the provision of health care
23 services or a withholding from the payment due for a health care
24 service; and

25 (6) the amount of any other component of the reimbursement
26 methodology for a health care service.

27 b. The Department of Banking and Insurance shall have the
28 authority to collect and investigate such information as it
29 reasonably believes is necessary to determine, on an annual basis:

30 (1) the average number of covered lives and geographical
31 distribution of covered lives per quarter per county for every carrier
32 in the State; and

33 (2) the impact of the provisions of this section on average
34 physician fees in the State.

35 The Department of Banking and Insurance shall provide this
36 information to the Attorney General on an annual basis.

37

38 5. The exercise of joint negotiation rights by two or more
39 independent physicians who are practicing in the service area of a
40 carrier pursuant to this act shall conform to the following criteria:

41 a. the physicians may communicate with each other concerning
42 any contractual term or condition to be negotiated with the carrier;

43 b. the physicians may communicate with the joint negotiation
44 representative authorized to negotiate on their behalf with the
45 carrier concerning any contractual term or condition;

46 c. the joint negotiation representative shall be the sole party
47 authorized to negotiate with the carrier on behalf of the physicians
48 as a group;

1 d. the physicians may, at the option of each physician, agree to
2 be bound by the terms and conditions negotiated by the joint
3 negotiation representative; and

4 e. when communicating or negotiating with a joint negotiation
5 representative, a carrier may offer different contractual terms or
6 conditions to, or may contract with, individual independent
7 physicians.

8
9 6. The provisions of this act shall not apply to a health benefits
10 plan which is certified by the Commissioner of Human Services to
11 the Attorney General as providing covered services primarily to
12 persons who are eligible for medical assistance under P.L.1968,
13 c.413 (C.30:4D-1 et seq.) or NJ FamilyCare under P.L.2005,
14 c.156 (C.30:4J-10 et seq.).

15
16 7. A person or entity proposing to act as a joint negotiation
17 representative shall satisfy the following requirements:

18 a. Before entering into negotiations with a carrier on behalf of
19 two or more independent physicians, the joint negotiation
20 representative shall submit to the Attorney General, for his approval
21 pursuant to section 8 of this act, on a form and in a manner
22 prescribed by the Attorney General, a petition which identifies:

23 (1) the representative's name and business address;

24 (2) the name and business address of each physician who will be
25 represented by the identified representative;

26 (3) the ratio of the physicians requesting joint representation to
27 the total number of physicians who are practicing within the
28 geographic service area of the carrier;

29 (4) the carrier with which the representative proposes to enter
30 into negotiations on behalf of the identified physicians;

31 (5) the intended subject matter of the proposed negotiations with
32 the identified carrier;

33 (6) the representative's plan of operation and procedures to
34 ensure compliance with the provisions of this act;

35 (7) the anticipated effect of the proposed joint negotiations on
36 the quality and availability of health care among covered persons;

37 (8) the anticipated benefits of a contract between the identified
38 physicians and carrier;

39 (9) such other data, information and documentation as the
40 petitioner desires to submit in support of the petition; and

41 (10) such other data, information and documents as the Attorney
42 General deems necessary.

43 The joint negotiation representative, upon submitting the
44 petition, shall pay a fee to the Attorney General in an amount, as
45 determined by the Attorney General, which shall be reasonable and
46 necessary to cover the costs associated with carrying out the
47 provisions of this act.

1 b. After the joint negotiation representative and the carrier
2 identified pursuant to subsection a. of this section have reached an
3 agreement on the contractual terms or conditions that were the
4 subject matter of their negotiations, the joint negotiation
5 representative shall submit to the Attorney General, for his approval
6 and in accordance with the provisions of section 8 of this act, a
7 copy of the proposed contract between the physicians identified
8 pursuant to subsection a. of this section and the carrier, as well as
9 any plan of action which the joint negotiation representative and the
10 carrier may formally agree to for the purpose of implementing the
11 terms and conditions of the contract.

12 c. Within 14 days after either party notifies the other party of
13 its decision to decline or terminate negotiations entered into
14 pursuant to this act, or after the date that a joint negotiation
15 representative requests that a carrier enter into such negotiations to
16 which request the carrier fails to respond, the joint negotiation
17 representative shall report to the Attorney General that the
18 negotiations have ended, on a form and in a manner to be prescribed
19 by the Attorney General. The joint negotiation representative may
20 resume negotiations with the carrier no later than 60 days after
21 reporting to the Attorney General that the negotiations have ended,
22 on the basis of the petition submitted to the Attorney General
23 pursuant to subsection a. of this section and approved by the
24 Attorney General in accordance with the provisions of section 8 of
25 this act. After that date, the joint negotiation representative shall be
26 required to submit a new petition and pay an additional fee to the
27 Attorney General pursuant to subsection a. of this section, in order
28 to engage in negotiations with the carrier under this act.

29

30 8. a. The Attorney General shall provide written approval or
31 disapproval of a petition or a proposed contract furnished by a joint
32 negotiation representative pursuant to section 7 of this act no later
33 than 30 days after receipt of the petition or proposed contract, as
34 applicable. If the Attorney General fails to provide written
35 approval or disapproval within this time period, the joint
36 negotiation representative may petition a court of competent
37 jurisdiction for an order to require the Attorney General to take
38 such action. If the Attorney General disapproves the petition or the
39 proposed contract, he shall forward a written explanation of any
40 deficiencies therein to the joint negotiation representative along
41 with a statement of the specific remedial measures by which those
42 deficiencies may be corrected.

43 A joint negotiation representative shall not engage in
44 negotiations with a carrier over any contractual term or condition
45 unless the petition furnished by the joint negotiation representative
46 has been approved in writing by the Attorney General, nor shall a
47 proposed contract between two or more independent physicians and

1 a carrier be implemented unless the Attorney General has approved
2 the contract.

3 b. The Attorney General shall approve a petition or a proposed
4 contract furnished by a joint negotiation representative pursuant to
5 section 7 of this act if the Attorney General determines that the
6 petition or proposed contract demonstrates that the benefits which
7 are likely to result from the proposed joint negotiations over a
8 contractual term or condition or the proposed contract, as
9 applicable, outweigh the disadvantages attributable to a reduction in
10 competition that may result from the proposed joint negotiations.
11 In making his determination, the Attorney General shall consider
12 physician distribution by specialty and its effect on competition in
13 the geographic service area of the carrier.

14 c. The Attorney General's written approval of a petition which
15 is furnished by a joint negotiation representative under section 7 of
16 this act shall be effective for all subsequent negotiations between
17 the joint negotiation representative and the identified carrier,
18 subject to the provisions of subsection c. of section 7 of this act.

19 d. In the case of a petition submitted pursuant to subsection a.
20 of section 7 of this act, the Attorney General shall notify the carrier
21 of the petition and provide the carrier with the opportunity to
22 submit written comments within a specified time frame that does
23 not extend beyond the date by which the Attorney General is
24 required to act on the petition.

25
26 9. a. Within 30 days from the mailing by the Attorney General
27 of a notice of disapproval of a petition submitted under section 7 of
28 this act, the petitioners may make a written application to the
29 Attorney General for a hearing.

30 b. Upon receipt of a timely written application for a hearing,
31 the Attorney General shall schedule and conduct a hearing in
32 accordance with the "Administrative Procedure Act," P.L.1968,
33 c.410 (C.52:14B-1 et seq.). The hearing shall be held within 30
34 days of the application unless the petitioner seeks an extension.

35 c. The sole parties with respect to any petition under section 7
36 of this act shall be the petitioners, and notwithstanding any other
37 provision of law to the contrary, the Attorney General shall not be
38 required to treat any other person as a party and no other person
39 shall be entitled to appeal the Attorney General's determination.

40
41 10. All information, including documents and copies thereof,
42 obtained by or disclosed to the Attorney General or any other
43 person in a petition under section 7 of this act, shall be treated
44 confidentially and shall be deemed proprietary and shall not be
45 made public or otherwise disclosed by the Attorney General or any
46 other person without the written consent of the petitioners to whom
47 the information pertains.

1 11. A carrier and a joint negotiation representative shall
2 negotiate in good faith regarding the terms and conditions of
3 physician contracts pursuant to this act.
4

5 12. a. The provisions of this act shall not be construed to:

6 (1) permit two or more physicians to jointly engage in a
7 coordinated cessation, reduction or limitation of the health care
8 services which they provide;

9 (2) permit two or more physicians to meet or communicate in
10 order to jointly negotiate a requirement that at least one of the
11 physicians, as a condition of participation with a carrier, be allowed
12 to participate in all of the products offered by the carrier;

13 (3) permit two or more physicians to jointly negotiate with a
14 carrier to exclude, limit or otherwise restrict a non-physician health
15 care provider from participating in the carrier's health benefits plan
16 based substantially on the fact that the health care provider is not a
17 physician, unless that exclusion, limitation or restriction is
18 otherwise permitted by law;

19 (4) prohibit or restrict activity by physicians that is sanctioned
20 under federal or State law or subject such activity to the
21 requirements of this act;

22 (5) affect governmental approval of, or otherwise restrict
23 activity by, physicians that is not prohibited under federal antitrust
24 law; or

25 (6) require approval of physician contract terms to the extent
26 that the terms are exempt from State regulation under section 514(a)
27 of the "Employee Retirement Income Security Act of 1974,"
28 Pub.L.93-406 (29 U.S.C. s.1144(a)).

29 b. Prior to entering into negotiations with a carrier on behalf of
30 two or more independent physicians over a contractual term or
31 condition, a joint negotiation representative shall notify the
32 physicians in writing of the provisions of this act and advise them
33 as to their potential for legal action against physicians who violate
34 federal antitrust law.
35

36 13. The Attorney General, in consultation with the
37 Commissioner of Banking and Insurance, shall report to the
38 Governor and the Legislature, pursuant to section 2 of P.L.1991,
39 c.164 (C.52:14-19.1) no later than four years after the effective date
40 of this act on its implementation.

41 The report shall include the number of petitions submitted for
42 approval to engage in joint negotiations and the outcome of the
43 petitions and the negotiations, an assessment of the effect the joint
44 negotiations provided for in this act has had in restoring the
45 competitive balance in the market for health care services and in
46 protecting access to quality patient care, an assessment of the
47 impact this act has had on health insurance premiums in the State,
48 and such other information that the Attorney General deems

1 appropriate. The report shall also include the Attorney General's
2 recommendations as to whether the provisions of this act shall be
3 expanded to include other types of health care professionals and
4 facilities.

5
6 14. The Attorney General, in consultation with the
7 Commissioner of Banking and Insurance and pursuant to the
8 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
9 seq.), shall adopt rules and regulations to effectuate the purposes of
10 this act.

11
12 15. P.L.2001, c.71 (C.52:17B-196 et seq.) is repealed.

13
14 16. This act shall take effect 90 days after enactment, but the
15 Attorney General, in consultation with the Commissioner of
16 Banking and Insurance, may take such anticipatory administrative
17 action in advance of the effective date as shall be necessary to
18 implement the act.

21 STATEMENT

22
23 This bill provides physicians with the right to engage in joint
24 negotiations over the terms and conditions of their contracts with
25 health insurance carriers, that is, health, hospital and medical
26 service corporations, commercial health insurers, and health
27 maintenance organizations. The bill is based on legislation enacted
28 in 2002 (P.L.2001, c.371) that authorized physicians and dentists to
29 engage in joint negotiations with carriers, which legislation expired
30 in 2008.

31 The bill permits two or more independent physicians who are
32 practicing in the geographic service area of a carrier to jointly
33 negotiate with the carrier and engage in related joint activity over
34 the terms and conditions of a proposed contract. The negotiations
35 would be carried out through a joint negotiation representative
36 selected by the physicians to act on their behalf.

37 The terms and conditions that may be the subject of the
38 negotiations include non-fee-related matters which may affect
39 patient care, such as any of the following:

- 40 • the definition of medical necessity and other conditions of
41 coverage;
- 42 • utilization management criteria and procedures;
- 43 • clinical practice guidelines;
- 44 • preventive care and other medical management policies;
- 45 • patient referral standards and procedures, including, but not
46 limited to, those applicable to out-of-network referrals;
- 47 • drug formularies and standards and procedures for
48 prescribing off-formulary drugs;

- 1 • quality assurance programs;
- 2 • respective physician and carrier liability for the treatment or
- 3 lack of treatment of covered persons;
- 4 • the methods and timing of payments;
- 5 • other administrative procedures, including, but not limited
- 6 to, eligibility verification systems and claim documentation
- 7 requirements for covered persons;
- 8 • credentialing standards and procedures for the selection,
- 9 retention and termination of participating physicians;
- 10 • mechanisms for resolving disputes between the carrier and
- 11 physicians, including, but not limited to, the appeals process
- 12 for utilization management and credentialing determinations;
- 13 • the health benefits plans sold or administered by the carrier
- 14 in which the physicians are required to participate;
- 15 • the formulation and application of reimbursement
- 16 methodology;
- 17 • the terms and conditions of physician contracts, including,
- 18 but not limited to, all products clauses, and the duration and
- 19 renewal provisions of the contract; and
- 20 • the inclusion or alteration of a contractual term or condition,
- 21 except when the inclusion or alteration is required by a
- 22 federal or State regulation concerning that term or condition;
- 23 however, the restriction shall not limit a physician's rights to
- 24 jointly petition the federal or State government, as
- 25 applicable, to change the regulation.

26 In addition, the bill provides that a proposed contract concerning
27 fees and fee-related matters may be subject to joint negotiations if
28 the Attorney General, in consultation with the Commissioner of
29 Banking and Insurance, finds that the carrier has substantial market
30 power in its service area and that any of the terms or conditions of
31 the contract with the carrier pose an actual or potential threat to the
32 quality and availability of patient care among covered persons.
33 These matters include, but are not limited to, any of the following:

- 34 • the amount of payment or the methodology for determining
- 35 the payment for a health care service, including, but not
- 36 limited to, cost of living increases;
- 37 • the conversion factor for a resource-based relative value
- 38 scale or similar reimbursement methodology for health care
- 39 services;
- 40 • the amount of any discount on the price of a health care
- 41 service;
- 42 • the procedure code or other description of a health care
- 43 service covered by a payment and the appropriate grouping
- 44 of the procedure codes;
- 45 • the amount of a bonus related to the provision of health care
- 46 services or a withholding from the payment due for a health
- 47 care service; and

- 1 • the amount of any other component of the reimbursement
2 methodology for a health care service.

3 The bill requires that a person or entity proposing to act as a joint
4 negotiation representative shall submit a petition to the Attorney
5 General, for his approval. The petition shall identify the
6 representative, the physicians who the representative will represent,
7 the intended subject matter of the proposed negotiations and other
8 information specified in the bill. Upon submitting the petition, the
9 representative shall pay a fee to the Attorney General, in an amount
10 determined by the Attorney General, which shall be reasonable and
11 necessary to cover the costs associated with carrying out the
12 provisions of this bill.

13 After the joint negotiation representative and the carrier have
14 reached an agreement on the contractual terms or conditions that
15 were the subject matter of their negotiations, the representative
16 shall submit a copy of the proposed contract between the physicians
17 and the carrier to the Attorney General, for his approval. The
18 Attorney General shall provide written approval or disapproval of a
19 petition or a proposed contract furnished by the representative no
20 later than 30 days after receipt of the petition or proposed contract.

21 The bill provides that a joint negotiation representative shall not
22 engage in negotiations with a carrier unless the representative's
23 petition has been approved in writing by the Attorney General, and
24 a proposed contract between physicians and a carrier negotiated
25 under this bill shall not be implemented unless the Attorney General
26 has approved the contract. The bill further provides that either
27 party may decline to negotiate or terminate negotiations. In either
28 event, the representative shall so notify the Attorney General.

29 The Attorney General shall approve a petition or a proposed
30 contract if he determines that the petition or proposed contract
31 demonstrates that the benefits which are likely to result from the
32 proposed joint negotiations or contract, as applicable, outweigh the
33 disadvantages attributable to a reduction in competition that may
34 result from the proposed joint negotiations. In making his
35 determination, the Attorney General shall consider physician
36 distribution by specialty and its effect on competition in the
37 geographic service area of the carrier.

38 The bill provides that its provisions shall not be construed to:

- 39 • permit two or more physicians to jointly engage in a
40 coordinated cessation, reduction or limitation of the health
41 care services which they provide;
- 42 • permit two or more physicians to meet or communicate in
43 order to jointly negotiate a requirement that at least one of
44 the physicians, as a condition of participation with a carrier,
45 be allowed to participate in all of the products offered by the
46 carrier;
- 47 • permit two or more physicians to jointly negotiate with a
48 carrier to exclude, limit or otherwise restrict a non-physician

- 1 or health care provider from participating in the carrier's
2 health benefits plan based substantially on the fact that the
3 health care provider is not a physician, unless that exclusion,
4 limitation or restriction is otherwise permitted by law;
- 5 • prohibit or restrict activity by physicians that is sanctioned
6 under federal or State law or subject such activity to the
7 requirements of this bill;
 - 8 • affect governmental approval of, or otherwise restrict
9 activity by, physicians that is not prohibited under federal
10 antitrust law; or
 - 11 • require approval of physician contract terms to the extent
12 that the terms are exempt from State regulation under
13 ERISA.

14 The bill provides that its provisions shall not apply to a health
15 benefits plan which is certified by the Commissioner of Human
16 Services to the Attorney General as providing covered services
17 exclusively or primarily to persons who are eligible for Medicaid or
18 NJ FamilyCare.

19 The bill requires the Attorney General, in consultation with the
20 Commissioner of Banking and Insurance, to report to the Governor
21 and the Legislature no later than four years after its effective date
22 on its implementation, and to include in that report an assessment of
23 the impact that the bill has had on health insurance premiums in the
24 State. The report shall also include the Attorney General's
25 recommendations as to whether the provisions of the bill shall be
26 expanded to include other types of health care professionals and
27 facilities.

28 The bill repeals P.L.2001, c.71 (C.52:17B-196 et seq.), which
29 expired in 2008.

30 The bill takes effect 90 days after enactment.