

ASSEMBLY, No. 439

STATE OF NEW JERSEY

212th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2006 SESSION

Sponsored by:

Assemblyman DAVID R. MAYER
District 4 (Camden and Gloucester)
Assemblyman HERB CONAWAY, JR.
District 7 (Burlington and Camden)
Assemblyman NEIL M. COHEN
District 20 (Union)
Assemblywoman PAMELA R. LAMPITT
District 6 (Camden)

Co-Sponsored by:

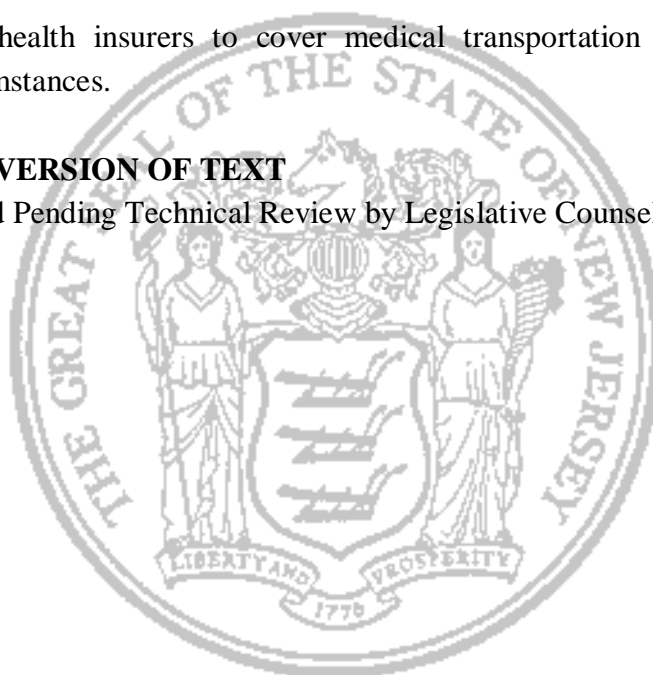
Assemblyman Moriarty

SYNOPSIS

Requires health insurers to cover medical transportation services under certain circumstances.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel



(Sponsorship Updated As Of: 5/12/2006)

1 **AN ACT** concerning reimbursement for medical transportation
2 services and supplementing Title 17B of the New Jersey Statutes.

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 "Ambulance service" means the provision of emergency or non-
9 emergency health care services or medical transportation in a
10 vehicle that is licensed, equipped and staffed in accordance with the
11 requirements set forth by the commissioner.

12 "Assignment of benefits" means any written instrument executed
13 by the covered person or his authorized representative which
14 assigns a service provider the covered person's right to receive
15 reimbursement for a covered service rendered to the covered
16 person.

17 "Carrier" means an insurance company, health service
18 corporation, hospital service corporation, medical service
19 corporation or health maintenance organization authorized to issue
20 health benefits plans in this State.

21 "Claim" means a claim by a covered person for payment of
22 benefits under a health benefits plan.

23 "Commissioner" means the Commissioner of Health and Senior
24 Services.

25 "Covered person" means a person on whose behalf a carrier
26 offering the health benefits plan is obligated to pay benefits or
27 provide services pursuant to the health benefits plan.

28 "Covered service" means a medical transportation service
29 provided to a covered person under a health benefits plan for which
30 the carrier is obligated to pay benefits or provide services.

31 "Health benefits plan" means a hospital and medical expense
32 insurance policy; health service corporation contract; hospital
33 service corporation contract; medical service corporation contract;
34 health maintenance organization subscriber contract; or other plan
35 for medical care delivered or issued for delivery in this State. For
36 purposes of this act, health benefits plan shall not include one or
37 more, or any combination of, the following: coverage only for
38 accident, or disability income insurance, or any combination
39 thereof; coverage issued as a supplement to liability insurance;
40 liability insurance, including general liability insurance and
41 automobile liability insurance; stop loss or excess risk insurance;
42 workers' compensation or similar insurance; automobile medical
43 payment insurance; credit-only insurance; coverage for on-site
44 medical clinics; and other similar insurance coverage, as specified
45 in federal regulations, under which benefits for medical care are
46 secondary or incidental to other insurance benefits. Health benefits
47 plans shall not include the following benefits if they are provided
48 under a separate policy, certificate or contract of insurance or are

1 otherwise not an integral part of the plan: limited scope dental or
2 vision benefits; benefits for long-term care, nursing home care,
3 home health care, community-based care, or any combination
4 thereof; and such other similar, limited benefits as are specified in
5 federal regulations. Health benefits plan shall not include hospital
6 confinement indemnity coverage if the benefits are provided under
7 a separate policy, certificate or contract of insurance, there is no
8 coordination between the provision of the benefits and any
9 exclusion of benefits under any group health benefits plan
10 maintained by the same plan sponsor, and those benefits are paid
11 with respect to an event without regard to whether benefits are
12 provided with respect to such an event under any group health plan
13 maintained by the same plan sponsor.

14 "Medical transportation service" means either an ambulance
15 service or a mobility assistance vehicle service.

16 "Mobility assistance vehicle service" means the provision of
17 nonemergency health care transportation, in accordance with the
18 requirements set forth by the commissioner, supervised by certified
19 trained personnel, for sick, infirm or otherwise disabled covered
20 persons who are under the care and supervision of a physician and
21 whose medical condition is not of sufficient magnitude or gravity to
22 require transportation by ambulance, but does require transportation
23 from place to place for medical care and whose use of an alternate
24 form of transportation, such as taxicab, bus, other public
25 conveyance or private vehicle might create a serious risk to life and
26 health.

27 "Payer" means a carrier or any agent thereof who is doing
28 business in the State and is under a contractual obligation to pay
29 claims.

30 "Service provider" means any person, public or private
31 institution, agency or business concern lawfully providing a medical
32 transportation service.

33

34 2. a. Notwithstanding any provision of law to the contrary, a
35 covered person may, through an assignment of benefits, assign to a
36 service provider his right to receive reimbursement for any medical
37 transportation service he obtains regardless of whether the service
38 provider is under contract with the carrier to provide services to the
39 covered person.

40 b. When a covered person executes an assignment of benefits,
41 the payer shall remit payment of the claim directly to the service
42 provider and provide written notice of the payment to the covered
43 person.

44 c. If a covered person executes an assignment of benefits but the
45 payer remits payment of the claim to the covered person, rather than
46 the service provider, the claim shall not be considered paid and the
47 payer shall remit payment of the claim not later than 30 days from
48 the date the payer received notification from the service provider of

1 the incorrect payment. Any claim paid later than 31 days after the
2 date the payer received the notification shall be considered overdue.
3 Any overdue payment shall accrue interest at the rate of 20% per
4 annum.

5
6 3. This act shall take effect 180 days after enactment and shall
7 apply to any carrier that delivers, issues, executes or renews on or
8 after the effective date of this act a health benefits plan in which the
9 carrier has reserved the right to change the premium.

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12 STATEMENT
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14 This bill requires that health insurance carriers or their agents,
15 collectively referred to as "payers," honor an assignment of benefits
16 made to providers of medical transportation services whether or not
17 the service provider is under contract with the carrier. Under the
18 bill, if a person covered under a health benefits plan in this State
19 assigns, through an execution of an assignment of benefits, his right
20 to receive reimbursement for a covered service to a provider of
21 medical transportation services, the payer must remit payment of
22 the claim to which the assignment of benefits relates directly to the
23 service provider. If a covered person executes an assignment of
24 benefits but the payer remits payment to that covered person rather
25 than the service provider, the claim shall not be considered paid and
26 will accrue interest if not paid to the service provider within 30
27 days of the payer receiving notice of the incorrect payment.

28 As provided under the bill, a medical transportation service
29 means both emergency and nonemergency transportation services
30 provided by an ambulance service or a mobility assistance vehicle
31 service in accordance with the rules and regulations set forth by the
32 Commissioner of Health and Senior Services.