

[Second Reprint]

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)

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District 6 (Camden)

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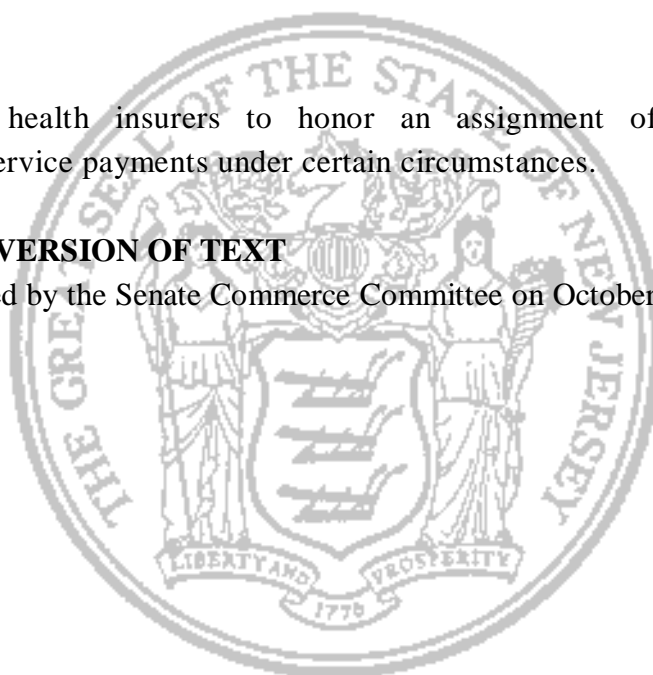
Assemblymen Moriarty and Vas

SYNOPSIS

Requires health insurers to honor an assignment of benefits for ambulance service payments under certain circumstances.

CURRENT VERSION OF TEXT

As reported by the Senate Commerce Committee on October 23, 2006, with amendments.



(Sponsorship Updated As Of: 6/23/2006)

1 AN ACT concerning reimbursement for ²**[medical transportation]**
 2 certain ambulance² services and supplementing Title 17B of the
 3 New Jersey Statutes.

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

7
 8 1. As used in this act:

9 "Ambulance service" means the provision of emergency ²**[or**
 10 non-emergency]² health care services ¹, basic life support services,
 11 advanced life support services, critical care services, mobile
 12 intensive care services, ²**[medical car services]**² , ¹ or ²emergency²
 13 medical transportation in a vehicle that is licensed, equipped and
 14 staffed in accordance with the requirements set forth by the
 15 ¹**[commissioner]** Commissioner of Health and Senior Services¹.

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

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

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

27 "Commissioner" means the Commissioner of ¹**[Health and**
 28 **Senior Services]** Banking and Insurance¹.

29 "Covered person" means a person on whose behalf a carrier
 30 offering the health benefits plan is obligated to pay benefits or
 31 provide services pursuant to the health benefits plan.

32 "Covered service" means ²**[a medical transportation]** an
 33 ambulance² service provided to a covered person under a health
 34 benefits plan for which the carrier is obligated to pay benefits or
 35 provide services.

36 "Health benefits plan" means a hospital and medical expense
 37 insurance policy; health service corporation contract; hospital
 38 service corporation contract; medical service corporation contract;
 39 health maintenance organization subscriber contract; or other plan
 40 for medical care delivered or issued for delivery in this State. For
 41 purposes of this act, health benefits plan shall not include one or
 42 more, or any combination of, the following: coverage only for
 43 accident, or disability income insurance, or any combination

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
 not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly AFI committee amendments adopted May 11, 2006.

²Senate SCM committee amendments adopted October 23, 2006.

1 thereof; coverage issued as a supplement to liability insurance;
2 liability insurance, including general liability insurance and
3 automobile liability insurance; stop loss or excess risk insurance;
4 workers' compensation or similar insurance; automobile medical
5 payment insurance; credit-only insurance; coverage for on-site
6 medical clinics; ²coverage for Medicaid services pursuant to a
7 contract with the State;² and ²any² other similar insurance coverage,
8 as specified in federal regulations, under which benefits for medical
9 care are secondary or incidental to other insurance benefits. Health
10 benefits plans shall not include the following benefits if they are
11 provided under a separate policy, certificate or contract of insurance
12 or are otherwise not an integral part of the plan: limited scope
13 dental or vision benefits; benefits for long-term care, nursing home
14 care, home health care, community-based care, or any combination
15 thereof; and such other similar, limited benefits as are specified in
16 federal regulations. Health benefits plan shall not include hospital
17 confinement indemnity coverage if the benefits are provided under
18 a separate policy, certificate or contract of insurance, there is no
19 coordination between the provision of the benefits and any
20 exclusion of benefits under any group health benefits plan
21 maintained by the same plan sponsor, and those benefits are paid
22 with respect to an event without regard to whether benefits are
23 provided with respect to such an event under any group health plan
24 maintained by the same plan sponsor.

25 ²["Medical transportation service" means either an ambulance
26 service or a mobility assistance vehicle service.

27 "Mobility assistance vehicle service" means the provision of
28 nonemergency health care transportation, in accordance with the
29 requirements set forth by the ¹["commissioner"] Commissioner of
30 Health and Senior Service¹, supervised by certified trained
31 personnel, for sick, infirm or otherwise disabled covered persons
32 who are under the care and supervision of a physician and whose
33 medical condition is not of sufficient magnitude or gravity to
34 require transportation by ambulance, but does require transportation
35 from place to place for medical care and whose use of an alternate
36 form of transportation, such as taxicab, bus, other public
37 conveyance, or private vehicle might create a serious risk to life and
38 health.]²

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

42 "Service provider" means any person, public or private
43 institution, agency, or business concern lawfully providing ²["a
44 medical transportation"] an ambulance² service.

45
46 2. a. Notwithstanding any provision of law to the contrary, a
47 covered person may, through an assignment of benefits, assign to a

1 service provider his right to receive reimbursement for any
2 ²~~medical transportation~~ ambulance² service ²~~he obtains~~
3 rendered by the service provider,² regardless of whether the service
4 provider is under contract with the carrier to provide services to the
5 covered person.

6 b. ²~~When a covered person executes an assignment of benefits,~~
7 ~~the~~ A service provider provided an assignment of benefits by a
8 covered person, pursuant to subsection a. of this section, shall
9 submit a copy of that assignment of benefits, or provide other notice
10 of that assignment of benefits acceptable to the commissioner
11 pursuant to regulation, to the payer with any claim for payment for
12 any ambulance service rendered to the covered person.

13 c. The² payer ², based upon the claim and notice of the
14 assignment of benefits submitted by the service provider,² shall
15 remit payment of the claim directly to the service provider and
16 provide written notice of the payment to the covered person.

17 ²~~c.~~ d.² If a covered person executes an assignment of benefits
18 ², and the service provider submits notice of that assignment of
19 benefits with its claim for payment pursuant to subsection b. of this
20 section,² but the payer remits payment of the claim to the covered
21 person rather than the service provider, the claim shall not be
22 considered paid ²~~and the~~ . The² payer shall ², notwithstanding
23 the incorrect payment of the claim to the covered person,² remit
24 payment of the claim ²to the service provider pursuant to the
25 assignment of benefits² not later than 30 days from the date the
26 payer ²~~received~~ receives² notification from the service provider
27 of the incorrect payment. Any claim paid later than ²~~31~~ 30² days
28 after the date the payer received the ²service provider's²
29 notification shall be considered overdue. Any overdue payment
30 shall accrue interest at the rate of ²~~20%~~ 12%² per annum.

31
32 3. This act shall take effect ¹~~180~~ 90¹ days after enactment ²,²
33 and shall apply to ²~~any carrier that delivers, issues, executes or~~
34 ~~renews~~ all health benefits plans that are delivered, issued, executed
35 or renewed, or approved for issuance or renewal in this State,² on or
36 after the effective date ²~~of this act a health benefits plan in which~~
37 the carrier has reserved the right to change the premium².