

ASSEMBLY, No. 700

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Assemblywoman SHAVONDA E. SUMTER

District 35 (Bergen and Passaic)

SYNOPSIS

Requires biannual audit of managed care plan provider networks.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 **AN ACT** concerning managed care plan provider networks and
2 supplementing P.L.1997, c.192 (C.26:2S-1 et seq.).

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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. A carrier which offers a managed care plan shall, at least
8 biannually, provide for an audit by an independent private auditing
9 firm of the carrier's provider network for each plan that it offers.
10 The purpose of the audit shall be to ensure that the health care
11 providers listed as participating providers in the carrier's provider
12 directory are accurately listed and that they participate in the
13 carrier's network.

14 b. The carrier shall use the results of the audit to correct any
15 inaccurate listing of a provider as a participating provider in the
16 provider directory if the provider is, in fact, not participating.

17 c. The audit shall be conducted at the expense of the carrier
18 and the carrier shall submit the audit findings to the commissioner
19 together with a description of all efforts made by the carrier to
20 ensure that providers listed as participating providers in the carrier's
21 provider directory are actually participating in the carrier's network.

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23 2. This act shall take effect on the 90th day next following
24 enactment.

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STATEMENT

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29 This bill supplements the "Health Care Quality Act," P.L.1997,
30 c.92 (C.26:2S-1 et seq.), by requiring carriers that offer managed
31 care health benefits plans to provide, at least biannually, for an
32 audit by an independent private auditing firm of the carrier's
33 provider network for each plan that it offers. The purpose of the
34 audit shall be to ensure that the health care providers listed as
35 participating providers in the carrier's provider directory are
36 accurately listed and that they participate in the carrier's network.

37 The carrier shall use the results of the audit to correct any
38 inaccurate listing of a provider as a participating provider in the
39 provider directory if the provider is, in fact, not participating.

40 The bill also provides that the audit shall be conducted at the
41 expense of the carrier and the carrier shall submit the audit findings
42 to the Commissioner of Banking and Insurance together with a
43 description of all efforts made by the carrier to ensure that providers
44 listed as participating providers in the carrier's provider directory
45 are participating in the carrier's network.