

ASSEMBLY, No. 2023

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Assemblyman JON M. BRAMNICK

District 21 (Morris, Somerset and Union)

Assemblyman PAUL D. MORIARTY

District 4 (Camden and Gloucester)

SYNOPSIS

“Health Insurance Claim Plain Language and Simplification Act.”

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 **AN ACT** concerning certain health benefits forms and
2 supplementing P.L.1999, c.155 (C.17B:30-26 et seq.).

3

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

6

7 1. This act shall be known and may be cited as the “Health
8 Insurance Claim Plain Language and Simplification Act.”

9

10 2. a. Every carrier issuing health benefits plans in this State
11 shall provide a written explanation of benefits form to a covered
12 person whenever a claim is generated under the covered person's
13 health benefits plan. The explanation of benefits form shall contain
14 all of the following information on the first page of the form:

15 (1) the name of the insured, the name of the health care
16 provider, the date of service, the amount of the claim, the amount
17 paid by the carrier, and the amount to be paid by the covered
18 person;

19 (2) if a claim is paid in whole or in part, an explanation of the
20 reasons that the claim was paid in whole or in part;

21 (3) if a claim is denied, an explanation of the reasons that the
22 claim is denied; and

23 (4) instructions as to any action that the covered person is
24 required to take with respect to the claim, or any option which may
25 be available to the covered person with respect to the determination
26 of benefits for that claim.

27 b. The information required pursuant to subsection a. of this
28 section shall be the only information provided on the first page of
29 the explanation of benefits form and shall be in 12-point font. The
30 information shall be in simple, plain language that is clearly
31 understandable to covered persons, in a manner consistent with the
32 “Life and Health Insurance Policy Language Simplification Act,”
33 P.L.1979, c.167 (C.17B:17-17 et seq.).

34

35 3. This act shall take effect on the 90th day next following
36 enactment.

37

38

39

STATEMENT

40

41 This bill, entitled the “Health Insurance Claim Plain Language
42 and Simplification Act,” requires health insurance carriers to
43 provide explanation of benefits forms to covered persons which
44 include certain information on the form in a certain format, and to
45 use simple, plain language that is clearly understandable.

46 The bill requires every carrier issuing health benefits plans in
47 this State to provide a written explanation of benefits form to a
48 covered person whenever a claim is generated under the covered

1 person's health benefits plan. The explanation of benefits form shall
2 contain all of the following information on the first page of the
3 form:

4 (1) the name of the insured, the name of the health care
5 provider, the date of service, the amount of the claim, the amount
6 paid by the carrier, and the amount to be paid by the covered
7 person;

8 (2) if a claim is paid in whole or in part, an explanation of the
9 reasons that the claim was paid in whole or in part;

10 (3) if a claim is denied, an explanation of the reasons that the
11 claim is denied; and

12 (4) instructions as to any action that the covered person is
13 required to take with respect to the claim or any option which may
14 be available to the covered person with respect to the determination
15 of benefits for that claim.

16 The bill requires this information to be the only information
17 provided on the first page of the explanation of benefits form and
18 requires the information to be in 12-point font. The bill also
19 requires the information to be in simple, plain language that is
20 clearly understandable to covered persons, in a manner consistent
21 with the "Life and Health Insurance Policy Language Simplification
22 Act," P.L.1979, c.167 (C.17B:17-17 et seq.).