ASSEMBLY, No. 3627

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED MARCH 5, 2020

Sponsored by:
Assemblywoman AURA K. DUNN
District 25 (Morris and Somerset)
Assemblywoman VALERIE VAINIERI HUTTLE
District 37 (Bergen)

SYNOPSIS

Requires cost disclosures by health care providers under certain circumstances; applies certain restrictions to charges for medical supplies.

CURRENT VERSION OF TEXT

As introduced.

(Sponsorship Updated As Of: 3/5/2020)

AN ACT concerning certain health care costs and supplementing Title 26 of the Revised Statutes.

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

1. As used in this act:

"Health benefits plan" means a benefits plan which pays or provides hospital and medical expenses or dental benefits for covered services.

"Health care facility" means a hospital or other health care facility licensed pursuant to P.L.1971, c.136 (C.26:2H-1 et seq.).

"Health care professional" means a person licensed or otherwise authorized to practice in a health care profession pursuant to Title 45 or Title 52 of the Revised Statutes.

"Health care service" means any service for the diagnosis prevention, treatment, cure, or relief of a health condition, illness, injury, or disease, except for services related to the treatment of an emergency medical condition.

"Medical supplies" means items or equipment used for a course of medical treatment.

2. a. A health care facility shall not bill, charge, or attempt to collect any amount from a person for any health care service provided while the person is hospitalized or treated at the health care facility unless the health care facility, prior to providing the health care service, has disclosed in writing to the person:

(1) a description of the health care service;

(2) the anticipated total costs to be charged by that facility for the service and related medical supplies before any applicable contractual adjustment pursuant to coverage under a health benefits plan is applied;

(3) an explanation of the unusual circumstances or medical complications which may cause the actual costs to exceed the anticipated total costs; and

(4) for persons covered under a health benefits plan, a notice that the person may contact the plan for information about any applicable coverage that may affect the person's actual payment for the costs of the health care service and related medical supplies.

b. A health care facility shall not bill, charge, or attempt to collect any amount from a person for any medical supplies in excess of the amount originally paid by the health care facility for the medical supplies.

c. A health care facility that fails to comply with this section shall be liable for action by the Department of Health pursuant to section 13 of P.L.1971, c.136 (C.26:2H-13).

d. The Commissioner of Health shall adopt, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et

seq.), rules and regulations necessary to effectuate the purposes of this section, including the manner in which the disclosures required by subsection a. of this section shall be provided.

3. a. A health care professional shall not bill, charge, or attempt to collect any amount from a person for any health care service unless the health care professional, prior to providing the health care service, has disclosed in writing to the person:

(1) a description of the health care service;

(2) the anticipated total costs to be charged by that health care professional for the service and related medical supplies before any applicable contractual adjustment pursuant to coverage under a health benefits plan is applied;

(3) an explanation of the unusual circumstances or medical complications which may cause the actual costs to exceed the anticipated total costs; and

(4) for persons covered under a health benefits plan, a notice that the person may contact the plan for information about any applicable coverage that may affect the person's actual payment for the costs of the health care services and related medical supplies.

b. A health care professional shall not bill, charge, or attempt to collect any amount from a person for any medical supplies in excess of the amount originally paid by the health care professional for the medical supplies.

c. A health care professional who fails to comply with this section shall be liable for action by the licensing board that governs the licensing of that health care profession.

d. The Director of the Division of Consumer Affairs, in consultation with appropriate licensing boards, shall pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), adopt rules and regulations necessary to effectuate the purposes of this section, including the manner in which the disclosures required by subsection a. of this section shall be provided.

4. This act shall take effect on the 90th day next following enactment but the Commissioner of Health and the Director of the Division of Consumer Affairs may take such anticipatory administrative action in advance thereof as shall be necessary for the implementation of this act.

STATEMENT

This bill prohibits health care facilities and health care professionals from charging any amount for: (1) a health care service unless certain disclosures have been provided to the health care consumer prior to providing the service; and (2) medical

supplies in excess of the amount originally paid by the facility or professional for the supplies.

The bill provides that a health care facility and a health care professional must disclose in writing to the person to be treated, prior to providing a non-emergency health care service:

(1) a description of the health care service;

(2) the anticipated total costs to be charged for the service and related medical supplies before any applicable contractual adjustment pursuant to coverage under a health benefits plan is applied;

(3) an explanation of the unusual circumstances or medical complications which may cause the actual costs to exceed the anticipated total costs; and

(4) for persons covered under a health benefits plan, a notice that the person may contact the plan for information about any applicable coverage that may affect the person's actual payment for the costs of the health care service and related medical supplies.

A health care facility or health care professional that fails to make the disclosure is prohibited from billing, charging, or attempting to collect any amount for the service.

The bill also provides that health care facilities and health care professionals shall not bill, charge, or attempt to collect any amount from a person for any medical supplies in excess of the amount originally paid by the facility or professional for the medical supplies.

A health care facility that fails to comply with the bill's provisions is liable for action by the Department of Health. A health care professional who fails to comply with the bill's provisions is liable for action by the licensing board that governs the licensing of that health care profession.

Finally, the bill provides that the Commissioner of Health and the Director of the Division of Consumer Affairs shall, as to health care facilities and health care professionals, respectively, adopt rules and regulations necessary to effectuate the purposes of the bill, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.).