

ASSEMBLY, No. 4204

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED JUNE 1, 2020

Sponsored by:

Assemblyman ROBERT J. KARABINCHAK

District 18 (Middlesex)

SYNOPSIS

Concerns carrier networks and health care providers in which carrier has financial interest.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning carrier networks and supplementing P.L.1997,
2 c.192 (C.26:2S-1 et seq.).
3

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

7 1. a. Pursuant to section 19 of P.L.1997, c.192 (C.26:2S-18),
8 the commissioner shall only approve the network adequacy of a
9 managed care plan if the carrier has demonstrated, to the
10 commissioner's satisfaction, that the provider network meets all
11 network adequacy requirements without considering any health care
12 provider that the carrier has a financial interest in.

13 b. As used in this section, "financial interest" means:

14 (1) holding a position in a business as officer, director, trustee,
15 or partner, or holding any position in management of the business,
16 except that any position-holder in a non-profit organization who is
17 not compensated for holding that position shall not be considered to
18 have a financial interest in the organization; or

19 (2) ownership of more than a five percent interest in a business,
20 or ownership of a carrier and a health care provider by the same
21 parent company.
22

23 2. This act shall take effect on the 90th day next following
24 enactment.
25

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27 STATEMENT

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29 This bill provides that the Commissioner of Banking and
30 Insurance shall only approve the network adequacy of a managed
31 care plan if the carrier has demonstrated, to the commissioner's
32 satisfaction, that the provider network meets all network adequacy
33 requirements without considering any health care provider that the
34 carrier has a financial interest in.

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40 have a financial interest in the organization; or

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43 parent company.