

[Second Reprint]

ASSEMBLY, No. 4538

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED AUGUST 13, 2020

Sponsored by:

Assemblywoman PAMELA R. LAMPITT

District 6 (Burlington and Camden)

Assemblywoman ANNETTE QUIJANO

District 20 (Union)

Senator NELLIE POU

District 35 (Bergen and Passaic)

Senator ANTHONY M. BUCCO

District 25 (Morris and Somerset)

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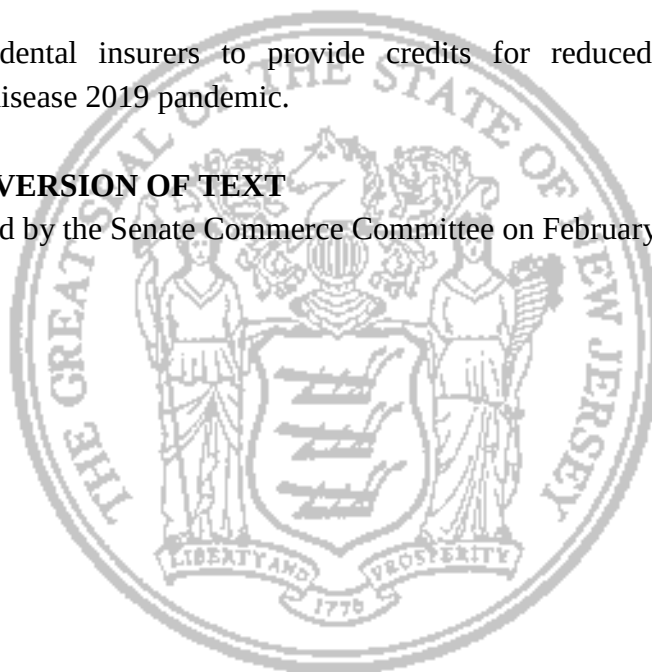
**Assemblywomen Vainieri Huttie, Timberlake, Downey, Assemblyman
Houghtaling, Assemblywoman Swain and Assemblyman Benson**

SYNOPSIS

Requires dental insurers to provide credits for reduced usage during coronavirus disease 2019 pandemic.

CURRENT VERSION OF TEXT

As reported by the Senate Commerce Committee on February 11, 2021, with amendments.



(Sponsorship Updated As Of: 3/25/2021)

1 AN ACT concerning certain credits and rate reductions for dental
2 insurers related to the coronavirus disease 2019 pandemic.

3
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6
7 1. a. A carrier writing a dental benefits plan in this State shall
8 issue to each ¹**["subscriber"]** policyholder in good standing¹ with a plan
9 that was in effect on March ¹**["21"]** 27¹, 2020 ², regardless of whether
10 the plan has since been terminated,² a credit as provided in subsection
11 b. of this section ¹**["which reflects the actuarial value of the carrier's**
12 **reduced risk exposure resulting from reduced application of dental**
13 **procedures to covered persons in New Jersey during the Public Health**
14 **Emergency and State of Emergency declared by the Governor in**
15 **Executive Order 103 of 2020"]** in an amount equivalent to the value of
16 any reduced claims experience due to the limitations of dental services
17 for the period beginning on March 27, 2020 and ending on May 26,
18 2020¹. ²A carrier shall not condition the issuance of the credit on the
19 renewal of the plan by the policyholder.²

20 b. The credit required by subsection a. of this section shall be
21 calculated retroactively to plans in effect on March 27, 2020. The
22 credit may be returned to the ¹**["subscriber"]** policyholder¹ in the form
23 of a direct refund, or credit toward future premiums, and shall apply to
24 both fully paid and monthly billed plans. A ¹**["subscriber"]**
25 policyholder¹ shall not be required to take any action to receive the
26 refund or credit. The refund or credit shall be applied for the period
27 beginning on March 27, 2020 and ending ¹**["90 days after the stay-at-**
28 **home provisions of Executive Order 109 of 2020 have been rescinded"]**
29 on May 26, 2020¹.

30 c. A carrier writing a dental benefits plan in this State shall
31 provide to the Department of Banking and Insurance ¹, on or before
32 ²**["December 31, 2020"]** May 31, 2021^{2, 1}, a report containing all actions
33 taken ¹**["and contemplated future actions,"]**¹ to reduce premiums in
34 compliance with P.L. , c. (C.) (pending before the Legislature
35 as this bill). The report shall include ¹**["New Jersey-specific"]**¹
36 information ¹for New Jersey policyholders¹ and an explanation and
37 justification for the amount and duration of any premium reductions
38 ¹issued by the carrier,¹ based on the carrier's claim and premium data.
39 The report shall also provide monthly and overall totals ¹for the
40 months of March, April, and May of 2020¹ for the following:
41 aggregate premium prior to, and subject to, application of refunds or
42 adjustments; aggregate premium refunds and adjustments; the number
43 of in-force plans, and number of ¹**["subscribers"]** policyholders¹
44 receiving refunds or adjustments. ¹**["These reports shall be due on**

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 October 19, 2020.

²Senate SCM committee amendments adopted February 11, 2021.

1 August 1, September 1, October 1, and November 1; the information
2 provided in each report shall reflect activity through the preceding
3 month's end.】¹

4 ¹d. As used in this act:

5 "Carrier" means an insurance company, health service corporation,
6 hospital service corporation, medical service corporation, dental
7 service corporation, or dental plan organization authorized to issue
8 dental benefits plans in this State, but shall not include any entity that:

9 (1) issued a credit or refund to policyholders in an amount ²[of
10 more than] equivalent to ² 50% ²or more² of one month's premium for
11 each policyholder ²[during] for² the period of March through June
12 2020; ²[or]²

13 (2) ²waived frequency limits for the 2020 plan year;

14 (3) waived deductibles or maximum annual rollover limitations; or

15 (4)² has taken any actions to assist policyholders that the
16 Commissioner of Banking and Insurance deems sufficient to excuse
17 the entity from the provisions of this act.¹

18 ²"Dental benefits plan" means a benefits plan which pays or
19 provides dental expense benefits for covered dental services and is
20 delivered or issued for delivery in this State by or through a carrier on
21 a stand-alone basis.²

22
23 ²2. This act shall not apply to a provider network contract for
24 dental services provided to beneficiaries of the Medicaid program
25 established pursuant to P.L.1968, c.413 (C.30:4D-1 et seq.), the
26 Medicare program established pursuant to the federal Social
27 Security Act (42 U.S.C. s.1395 et seq.), the State Health Benefits
28 Program, the School Employees' Health Benefits Program, or the
29 NJ FamilyCare Program established pursuant to P.L.2005, c.156
30 (C.30:4J-8 et al.).²

31
32 ²[2.] 3.² This act shall take effect immediately and shall be
33 retroactive to March 27, 2020.