

ASSEMBLY, No. 4996

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED NOVEMBER 16, 2020

Sponsored by:

Assemblywoman CAROL A. MURPHY

District 7 (Burlington)

SYNOPSIS

Requires insurance carriers offering dental benefit plans to provide certain level of coverage and reimbursement.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning certain dental benefit plans and supplementing
2 P.L.2014, c.70 (C.26:2S-26 et seq.).
3

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

7 1. a. A dental plan offered by a carrier in this State shall provide
8 for a level of coverage that is designed to provide benefits that are
9 actuarially equivalent to an amount of the full actuarial value of the
10 benefits provided under the plan that shall be determined by the
11 Commissioner of Banking and Insurance.

12 b. The level of coverage of a dental plan shall be determined on
13 the basis that the covered services are provided to a standard
14 population, and without regard to the actual population to which the
15 plan may provide benefits.

16 c. The commissioner shall develop guidelines to provide for a
17 de minimis variation in the actuarial calculations used in determining
18 the level of coverage of a dental plan to account for differences in
19 actuarial estimates.
20

21 2. a. A dental plan offered by a carrier in this State shall
22 provide for reimbursement to a provider for a covered service at a
23 level that is at least 75 percent of the usual and customary charge for
24 the service provided, as determined pursuant to subsection b. of this
25 section.

26 b. The commissioner shall develop procedures for the
27 determination of the usual and customary charges for dental services
28 on a regional basis within the State. Determinations for the usual and
29 customary charges for dental services shall be made, at a minimum,
30 for three areas within the State, including the northern, central, and
31 southern portions of the State.
32

33 3. This act shall take effect on the first day of the third month
34 next following the date of enactment, and shall apply to dental plans
35 delivered, issued, executed, or renewed after that date.
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37

38 STATEMENT
39

40 This bill requires insurance carriers offering dental benefit plans
41 to provide covered persons with a certain level of coverage for
42 covered services. Specifically, the bill requires dental plans offered
43 by insurance carriers in this State to provide for a level of coverage
44 that is designed to provide benefits that are actuarially equivalent to
45 an amount of the full actuarial value of the benefits provided under
46 the plan that shall be determined by the Commissioner of Banking
47 and Insurance.

1 The bill provides that the level of coverage of a dental plan is to
2 be determined on the basis that the covered services are provided to
3 a standard population, and without regard to the actual population to
4 which the plan may provide benefits.

5 The bill requires the Commissioner of Banking and Insurance to
6 develop guidelines to provide for a de minimis variation in the
7 actuarial calculations used in determining the level of coverage of a
8 plan to account for differences in actuarial estimates.

9 The bill also requires a dental plan offered by a carrier in this State
10 to provide for reimbursement to a provider for a covered service at a
11 level that is at least 75 percent of the usual and customary charge for
12 the service provided.

13 The bill requires the Commissioner of Banking and Insurance to
14 develop procedures for the determination of the usual and customary
15 charge for dental services on a regional basis within the State.
16 Determinations for reimbursement of dental services are required to
17 be made, at a minimum, for three areas within the State, including
18 the northern, central, and southern portions of the State.