

P.L. 2021, CHAPTER 295, *approved November 8, 2021*  
 Assembly, No. 4538 (*Second Reprint*)

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

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 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 <sup>1</sup>**[subscriber]** policyholder in good standing<sup>1</sup> with a plan  
 9 that was in effect on March <sup>1</sup>**[21]** 27<sup>1</sup>, 2020 <sup>2</sup>, regardless of whether  
 10 the plan has since been terminated,<sup>2</sup> a credit as provided in subsection

11 b. of this section <sup>1</sup>**[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]<sup>1</sup> 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 2020<sup>1</sup>. <sup>2</sup>A carrier shall not condition the issuance of the credit on the  
 19 renewal of the plan by the policyholder.<sup>2</sup>

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 <sup>1</sup>**[subscriber]** policyholder<sup>1</sup> 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 <sup>1</sup>**[subscriber]**  
 25 policyholder<sup>1</sup> 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 <sup>1</sup>**[90 days after the stay-at-**  
 28 **home provisions of Executive Order 109 of 2020 have been rescinded]**  
 29 on May 26, 2020<sup>1</sup>.

30 c. A carrier writing a dental benefits plan in this State shall  
 31 provide to the Department of Banking and Insurance <sup>1</sup>, on or before  
 32 <sup>2</sup>**[December 31, 2020]** May 31, 2021<sup>2, 1</sup>, a report containing all actions  
 33 taken <sup>1</sup>**[, and contemplated future actions,]**<sup>1</sup> to reduce premiums in  
 34 compliance with P.L. , c. (C. ) (pending before the Legislature  
 35 as this bill). The report shall include <sup>1</sup>**[New Jersey-specific]**<sup>1</sup>  
 36 information <sup>1</sup>for New Jersey policyholders<sup>1</sup> and an explanation and  
 37 justification for the amount and duration of any premium reductions  
 38 <sup>1</sup>issued by the carrier,<sup>1</sup> based on the carrier's claim and premium data.  
 39 The report shall also provide monthly and overall totals <sup>1</sup>for the  
 40 months of March, April, and May of 2020<sup>1</sup> for the following:

**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:

<sup>1</sup>Assembly AFI committee amendments adopted October 19, 2020.

<sup>2</sup>Senate SCM committee amendments adopted February 11, 2021.

1 aggregate premium prior to, and subject to, application of refunds or  
2 adjustments; aggregate premium refunds and adjustments; the number  
3 of in-force plans, and number of <sup>1</sup>["subscribers"] policyholders<sup>1</sup>  
4 receiving refunds or adjustments. <sup>1</sup>["These reports shall be due on  
5 August 1, September 1, October 1, and November 1; the information  
6 provided in each report shall reflect activity through the preceding  
7 month's end.】<sup>1</sup>

8 <sup>1</sup>d. As used in this act:

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

13 (1) issued a credit or refund to policyholders in an amount <sup>2</sup>["of  
14 more than"] equivalent to <sup>2</sup> 50% <sup>2</sup>or more<sup>2</sup> of one month's premium for  
15 each policyholder <sup>2</sup>["during"] for<sup>2</sup> the period of March through June  
16 2020; <sup>2</sup>["or"]<sup>2</sup>

17 (2) <sup>2</sup>waived frequency limits for the 2020 plan year;

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

19 (4)<sup>2</sup> has taken any actions to assist policyholders that the  
20 Commissioner of Banking and Insurance deems sufficient to excuse  
21 the entity from the provisions of this act.<sup>1</sup>

22 <sup>2</sup>"Dental benefits plan" means a benefits plan which pays or  
23 provides dental expense benefits for covered dental services and is  
24 delivered or issued for delivery in this State by or through a carrier on  
25 a stand-alone basis.<sup>2</sup>

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

35  
36 <sup>2</sup>["2.】<sup>3.2</sup> This act shall take effect immediately and shall be  
37 retroactive to March 27, 2020.

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