

SENATE, No. 352

STATE OF NEW JERSEY
219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Senator JOSEPH P. CRYAN

District 20 (Union)

SYNOPSIS

Requires continued coverage for primary care physician services for 12 months following termination or withdrawal of physician from provider network.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 **AN ACT** concerning managed care plans and amending
2 P.L.1997, c.192 and P.L.1999, c.390.

3

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

6

7 1. Section 5 of P.L.1997, c.192 (C.26:2S-5) is amended to read
8 as follows:

9 5. a. In addition to the disclosure requirements provided in
10 section 4 of this act, a carrier which offers a managed care plan
11 shall disclose to a subscriber, in writing, in a manner consistent
12 with the "Life and Health Insurance Policy Language Simplification
13 Act," P.L.1979, c.167 (C.17B:17-17 et seq.), the following
14 information at the time of enrollment and annually thereafter:

15 (1) A current participating provider directory providing
16 information on a covered person's access to primary care physicians
17 and specialists, including the number of available participating
18 physicians, by provider category or specialty and by county. The
19 directory shall include the professional office address of a primary
20 care physician and any hospital affiliation the primary care
21 physician has. The directory shall also provide information about
22 participating hospitals.

23 In the case of a carrier that owns, wholly or in part, or contracts
24 with a managed behavioral health care organization, the directory
25 shall include a list of participating providers of behavioral health
26 care services with the address of each provider.

27 The carrier shall promptly notify each covered person prior to
28 the termination or withdrawal from the carrier's provider network of
29 the covered person's primary care physician, and at the same time
30 further notify each such covered person that they may continue to
31 receive treatment or services from that physician pursuant to the
32 terms of the physician's participation in that network for a period of
33 up to 12 months following the date of that notification, as provided
34 by section 1 of P.L. 1999, c. 390 (C. 26:2S-9.1);

35 (2) General information about the financial incentives between
36 participating physicians under contract with the carrier and other
37 participating health care providers and facilities to which the
38 participating physicians refer their managed care patients;

39 (3) The percentage of the carrier's managed care plan's network
40 physicians who are board certified;

41 (4) The carrier's managed care plan's standard for customary
42 waiting times for appointments for urgent and routine care;

43 (5) The availability through the department, upon request of a
44 member of the general public, of independent consumer satisfaction
45 survey results and an analysis of quality outcomes of health care
46 services of managed care plans in the State;

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.

1 (6) Information about the Managed Health Care Consumer
2 Assistance Program established pursuant to P.L.2001, c.14
3 (C.26:2S-19 et al.) as prescribed by regulation of the commissioner,
4 including the toll-free telephone number available to contact the
5 program; and

6 (7) The carrier's preauthorization and review requirements of the
7 health benefits plan regarding the determination of medical
8 necessity that apply to a covered person who is admitted to an in-
9 network health care facility, and the financial responsibility of the
10 patient for the cost of services provided by an out-of-network
11 admitting or attending health care practitioner.

12 The carrier shall provide a prospective subscriber with
13 information about the provider network, including hospital
14 affiliations, and other information specified in this subsection, upon
15 request.

16 b. Upon request of a covered person, a carrier shall promptly
17 inform the person:

18 (1) whether a particular network physician is board certified;
19 and

20 (2) whether a particular network physician is currently accepting
21 new patients.

22 c. The carrier shall file the information required pursuant to
23 this section with the department.

24 (cf: P.L.2005, c.172, s.3)
25

26 2. Section 1 of P.L.1999, c.390 (C.26:2S-9.1) is amended to
27 read as follows:

28 1. a. Notwithstanding the provisions of any law to the
29 contrary, a carrier which offers a managed care plan shall provide in
30 that plan that if a covered person is receiving post-operative follow-
31 up care, oncological treatment, psychiatric treatment or obstetrical
32 care by a physician who is employed by or under contract with a
33 carrier at the time the treatment is initiated, the covered person may
34 continue to be treated by that physician for the duration of the
35 treatment in the event that the physician is no longer employed by
36 or under contract with the carrier as follows:

37 (1) for a period not to exceed six months in the case of post-
38 operative follow-up care;

39 (2) for a period not to exceed one year in the case of oncological
40 treatment and psychiatric treatment; and

41 (3) through the duration of a pregnancy and up to six weeks
42 after delivery in the case of obstetrical care.

43 The continuation of treatment by a particular physician as
44 provided for in this subsection shall be at the option of the covered
45 person.

46 The carrier shall provide that health care benefits or services, as
47 appropriate, shall be provided for the treatment of the conditions
48 provided in this subsection to the same extent as such benefits or

1 services were provided while the physician was employed by or
2 under contract with the carrier. Reimbursement for the health care
3 services shall be pursuant to the same fee schedule used to
4 reimburse for the services when the physician was employed by or
5 under contract with the carrier.

6 b. A carrier which offers a managed care plan shall also
7 provide in that plan for continued coverage of other health care
8 services by a physician who was employed by or under contract
9 with the carrier at the time the treatment was initiated, but is no
10 longer employed by or under contract with the carrier, for up to 120
11 calendar days in cases where it is medically necessary for the
12 covered person to continue treatment with that physician, and in the
13 case of a primary care physician, for up to 12 months following the
14 date of notification of the termination or withdrawal of that
15 physician from the carrier's provider network as required pursuant
16 to subsection a. of section 5 of P.L.1997, c.192 (C.26:2S-5).

17 Health care benefits or services, as applicable, shall be provided
18 by the health benefits plan for medically necessary treatment as
19 provided in this subsection to the same extent as such benefits or
20 services were provided while the physician was employed by or
21 under contract with the carrier. Reimbursement for the health care
22 services shall be pursuant to the same fee schedule used to
23 reimburse for the services when the physician was employed by or
24 under contract with the carrier.

25 c. During the period of time a covered person is continuing to
26 receive treatment pursuant to subsection a. or b. of this section by a
27 physician who is no longer employed by or under contract with the
28 carrier, the carrier shall provide in its plan for reimbursement for
29 any treatment or services provided or delivered to the covered
30 person in an acute care hospital, regardless of whether the acute
31 care hospital is under contract or agreement with the carrier.

32 d. The carrier shall not be liable for any inappropriate
33 treatment provided to the covered person by a physician who is no
34 longer employed by or under contract with the carrier.

35 e. The provisions of this section shall not apply to health care
36 services provided by a physician who is the subject of disciplinary
37 action by the State Board of Medical Examiners.

38 (cf: P.L.1999, c.390, s.1)

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40 3. This act shall take effect on the 90th day next following the
41 date of enactment and shall apply to contracts or policies issued or
42 renewed on or after that date.

43 44 STATEMENT

45
46 This bill requires managed care plans to continue coverage for
47 primary care physician services for up to 12 months following the
48 date of notification of the termination or withdrawal of the primary

1 care physician from the carrier's provider network. Currently, a
2 carrier is required to promptly notify each covered person prior to
3 the termination or withdrawal from the carrier's provider network of
4 the covered person's primary care physician.

5 This bill further requires that the covered person shall be entitled
6 to continue to receive treatment or services from that physician
7 pursuant to the terms of the physician's participation in that
8 network for a period of up to 12 months following the date of that
9 notification.