

SENATE, No. 2089

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED MARCH 16, 2020

Sponsored by:

Senator JOSEPH P. CRYAN

District 20 (Union)

SYNOPSIS

Prohibits insurers, SHBP, and SEHBP from charging fee for paper bills and notices.

CURRENT VERSION OF TEXT

As introduced.



1 **AN ACT** concerning insurance billing practices and supplementing
2 various parts of the statutory law.

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

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7 1. a. As used in this section:

8 "Commissioner" means the Commissioner of Banking and
9 Insurance.

10 "Insurer" means:

11 (1) Any corporation, association, partnership, reciprocal
12 exchange, interinsurer, Lloyd's insurer, fraternal benefit society, or
13 other person engaged in the business of insurance pursuant to
14 Subtitle 3 of Title 17 of the Revised Statutes or Subtitle 3 of Title
15 17B of the New Jersey Statutes;

16 (2) Any medical service corporation operating pursuant to
17 P.L.1940, c.74 (C.17:48A-1 et seq.);

18 (3) Any hospital service corporation operating pursuant to
19 P.L.1938, c.366 (C.17:48-1 et seq.);

20 (4) Any health service corporation operating pursuant to
21 P.L.1985, c.236 (C.17:48E-1 et seq.);

22 (5) Any health maintenance organization established pursuant to
23 the provisions of P.L.1973, c.337 (C.26:2J-1 et seq.);

24 (6) Any insurance plan operating pursuant to P.L.1970, c.215
25 (C.17:29D-1);

26 (7) The New Jersey Insurance Underwriting Association
27 operating pursuant to P.L.1968, c.129 (C.17:37A-1 et seq.).

28 b. No insurer shall charge a fee to furnish tangible printed or
29 paper bills or notices, with respect to any insurance policy, to an
30 insured or other owner of that policy.

31 c. If the commissioner finds, after notice and hearing, that an
32 insurer has a pattern and practice of charging a fee prohibited by
33 this section, the commissioner may, after notice and hearing, order
34 the payment of a penalty not to exceed \$1,000 for each offense.
35 Each instance of a fee prohibited by this section that is charged to
36 an insured or other owner of that policy shall be a separate offense
37 and subject to assessment of a separate penalty. Penalties assessed
38 pursuant to this section shall be collected by the commissioner
39 pursuant to the "Penalty Enforcement Law of 1999," P.L.1999,
40 c.274 (C.2A:58-10 et seq.).

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42 2. The State Health Benefits Commission shall not charge a fee
43 to furnish tangible printed or paper bills or notices, with respect to
44 any health plan included in the State Health Benefits Program to
45 any member of the State Health Benefits Program.

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47 3. The School Employees' Health Benefits Commission shall
48 not charge a fee to furnish tangible printed or paper bills or notices,

1 with respect to any health plan included in the School Employees'
2 Health Benefits Program to any member of the School Employees'
3 Health Benefits Program.

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5 4. This act shall take effect on the 90th day next following
6 enactment.

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STATEMENT

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11 This bill prohibits any insurer from charging a fee to furnish
12 tangible printed or paper bills or notices, with respect to any
13 insurance policy, to an insured or other owner of that policy.
14 Insurance policies referred to under the bill include automobile
15 insurance policies, homeowners policies, individual life and health
16 insurance policies. In addition, the bill prohibits the State Health
17 Benefits Commission and School Employees' Health Benefits
18 Commission from charging a fee to furnish tangible printed or paper
19 bills or notices to any member of the State Health Benefits Program
20 or the School Employees' Health Benefits Program.

21 This bill ensures that an insured, or other owner of the policy,
22 will not be charged an additional fee if the insured or other owner
23 of the policy elects to receive tangible printed or paper bills or
24 notices in place of digital access to the same.