

[First Reprint]

SENATE, No. 3131

STATE OF NEW JERSEY
219th LEGISLATURE

INTRODUCED NOVEMBER 5, 2020

Sponsored by:

Senator NELLIE POU

District 35 (Bergen and Passaic)

Senator ANTHONY M. BUCCO

District 25 (Morris and Somerset)

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: 2/9/2021)

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 policyholder in good standing with a plan that was in
9 effect on March 27, 2020 ¹, regardless of whether the plan has since
10 been terminated.¹ a credit as provided in subsection b. of this section
11 in an amount equivalent to the value of any reduced claims experience
12 due to the limitations of dental services for the period beginning on
13 March 27, 2020 and ending on May 26, 2020. ¹A carrier shall not
14 condition the issuance of the credit on the renewal of the plan by the
15 policyholder.¹

16 b. The credit required by subsection a. of this section shall be
17 calculated retroactively to plans in effect on March 27, 2020. The
18 credit may be returned to the policyholder in the form of a direct
19 refund, or credit toward future premiums, and shall apply to both fully
20 paid and monthly billed plans. A policyholder shall not be required to
21 take any action to receive the refund or credit. The refund or credit
22 shall be applied for the period beginning on March 27, 2020 and
23 ending on May 26, 2020.

24 c. A carrier writing a dental benefits plan in this State shall
25 provide to the Department of Banking and Insurance, on or before
26 ¹**【December 31, 2020】** May 31, 2021¹, a report containing all actions
27 taken to reduce premiums in compliance with P.L. , c. (C.)
28 (pending before the Legislature as this bill). The report shall include
29 information for New Jersey policyholders and an explanation and
30 justification for the amount and duration of any premium reductions
31 issued by the carrier, based on the carrier's claim and premium data.
32 The report shall also provide monthly and overall totals for the months
33 of March, April, and May of 2020 for the following: aggregate
34 premium prior to, and subject to, application of refunds or
35 adjustments; aggregate premium refunds and adjustments; the number
36 of in-force plans, and number of policyholders receiving refunds or
37 adjustments

38 d. As used in this act:

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

43 (1) issued a credit or refund to policyholders in an amount ¹**【of**
44 **more than】** equivalent to¹ 50% ¹or more¹ of one month's premium for

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:

¹Senate SCM committee amendments adopted February 11, 2021.

1 each policyholder ¹**【during】** for¹ the period of March through June
2 2020; ¹**【or】**¹

3 (2) ¹waived frequency limits for the 2020 plan year;

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

5 (4)¹ has taken any actions to assist policyholders that the
6 Commissioner of Banking and Insurance deems sufficient to excuse
7 the entity from the provisions of this act.

8 ¹“Dental benefits plan” means a benefits plan which pays or
9 provides dental expense benefits for covered dental services and is
10 delivered or issued for delivery in this State by or through a carrier on
11 a stand-alone basis.¹

12

13 ¹2. This act shall not apply to a provider network contract for
14 dental services provided to beneficiaries of the Medicaid program
15 established pursuant to P.L.1968, c.413 (C.30:4D-1 et seq.), the
16 Medicare program established pursuant to the federal Social
17 Security Act (42 U.S.C. s.1395 et seq.), the State Health Benefits
18 Program, the School Employees’ Health Benefits Program, or the
19 NJ FamilyCare Program established pursuant to P.L.2005, c.156
20 (C.30:4J-8 et al.).¹

21

22 ¹**【2.】** 3.¹ This act shall take effect immediately and shall be
23 retroactive to March 27, 2020.