

ASSEMBLY HEALTH COMMITTEE

STATEMENT TO

[First Reprint]

SENATE, No. 3458

STATE OF NEW JERSEY

DATED: JANUARY 3, 2022

The Assembly Health Committee reports favorably Senate Bill No. 3458.

This bill amends the “Out-of-network Consumer Protection, Transparency, Cost Containment and Accountability Act” to revise certain aspects of the arbitration processes established in that act for claims involving health insurance carriers subject to the provisions of the act.

The bill extends the amount of time that the insurance carrier and healthcare provider have to negotiate a settlement in the event of an inadvertent use of out-of-network services from 30 to 60 days, and extends the deadline for the carrier, provider, or covered person to initiate binding arbitration in the event of a failure to reach a settlement from within 30 days of the final offer to within 90 days of the final offer. The bill provides that, in order for binding arbitration to be initiated, the difference between a carrier’s and provider’s final offers be \$1,000 or higher for a billed amount of \$2,500 or more or \$500 or higher for a billed amount of less than \$2,500.

The bill changes the certification requirement for arbitrators from a certification from the American Arbitration Association to a certification from the Department of Banking and Insurance.

Finally, the bill requires an arbitrator to include detailed written findings with each decision. The detailed written findings are to be an analysis of the decision including, but not be limited to, information concerning any databases, previous awards, or other documentation or arguments that contributed to the arbitrator’s decision.

As reported by the committee, Senate Bill No. 3458 (1R) is identical to Assembly Bill No. 6245 which was reported and amended by the committee on this date.