

P.L. 1999, CHAPTER 162, *approved July 12, 1999*  
Senate, No. 1696

1 **AN ACT** concerning the use of runners and supplementing chapter 21  
2 of Title 2C of the New Jersey Statutes.

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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 "Provider" means an attorney, a health care professional, an owner  
9 or operator of a health care practice or facility, any person who  
10 creates the impression that he or his practice or facility can provide  
11 legal or health care services, or any person employed or acting on  
12 behalf of any of the aforementioned persons.

13 "Public media" means telephone directories, professional  
14 directories, newspapers and other periodicals, radio and television,  
15 billboards and mailed or electronically transmitted written  
16 communications that do not involve in-person contact with a specific  
17 prospective client, patient or customer.

18 "Runner" means a person who, for a pecuniary benefit, procures or  
19 attempts to procure a client, patient or customer at the direction of,  
20 request of or in cooperation with a provider whose purpose is to seek  
21 to obtain benefits under a contract of insurance or assert a claim  
22 against an insured or an insurance carrier for providing services to the  
23 client, patient or customer. "Runner" shall not include a person who  
24 procures or attempt to procure clients, patients or customers for a  
25 provider through public media or a person who refers clients, patients  
26 or customers to a provider as otherwise authorized by law.

27 b. A person is guilty of a crime of the third degree if that person  
28 knowingly acts as a runner or uses, solicits, directs, hires or employs  
29 another to act as a runner.

30 c. Notwithstanding the provisions of subsection e. of N.J.S.2C:44-  
31 1, the court shall deal with a person who has been convicted of a  
32 violation of this section by imposing a sentence of imprisonment  
33 unless, having regard to the character and condition of the person, the  
34 court is of the opinion that imprisonment would be a serious injustice  
35 which overrides the need to deter such conduct by others. If the court  
36 imposes a noncustodial or probationary sentence, such sentence shall  
37 not become final for 10 days in order to permit the appeal of such  
38 sentence by the prosecution. Nothing in this section shall preclude an  
39 indictment and conviction for any other offense defined by the laws of  
40 this State.

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42 2. This act shall take effect immediately.

STATEMENT

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This bill implements a recommendation of the Governor's Task Force on Health Care Fraud by making it illegal to act as a runner, a practice that facilitates fraud and serves no legitimate purpose. A runner is defined as a person who receives a pecuniary benefit for procuring or attempting to procure clients, patients or customers for a provider whose purpose is to obtain benefits under an insurance contract for providing services. Because most fraud schemes depend on a volume of patients, health care providers and attorneys engaged in fraud will often pay third parties for recruiting clients, patients and customers. Often the client, patient or customer receives inadequate or inappropriate care or services. Thus, the bill also makes it illegal for a provider to provide or offer to provide a pecuniary benefit to a runner. Soliciting clients through the public media and referring clients, patients or customers to a provider as is otherwise authorized by law, such as attorney referrals in accordance with the Rules of Court, would be excluded from the prohibitions under the bill. Under the bill, acting as a runner or hiring another person to act as a runner would be graded as crimes of the third degree.

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Criminalizes the use of runners.