

CHAPTER 250

AN ACT concerning the collection of dental benefits and supplementing P.L.1968, c.305 (C.17:48C-1 et seq.), P.L.1979, c.478 (C.17:48D-1 et seq.) and P.L.1985, c.236 (C.17:48E-1 et seq.).

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

C.17:48C-8.3 Payment of out-of-network benefits by dental service corporation.

1. a. (1) A dental service corporation that makes a dental benefit payment to a covered person for services rendered by an out-of-network dentist shall issue the payment to the covered person in accordance with the time frames set forth in section 8 of P.L.1999, c.154 (C.17:48C-8.1), and shall, within three days of issuing the payment, provide a notification to the out-of-network dentist of the amount and date of the payment and the services for which the payment was made.

(2) In the case of a dental service corporation that supplies an administrative services only contract and makes a dental benefit payment to a covered person for services rendered by an out-of-network dentist under that contract, paragraph (1) of this subsection shall not apply, but the dental service corporation shall, within three days of issuing the payment, provide a notification to the out-of-network dentist of the amount and date of the payment.

b. A covered person may enter into an agreement with an out-of-network dentist to sign over the dental benefit payment received from the dental service corporation to the dentist. The agreement shall:

(1) be in writing;

(2) be signed by the person who is entitled to receive the dental benefit payment from the dental service corporation;

(3) be retained by the dentist for at least six years following the date of the most recent payment from the covered person; and

(4) give the covered person at least 10 business days within which to sign over the dental benefit to the dentist.

c. A covered person who agrees to sign over a dental benefit payment in accordance with this section, shall comply with the terms of the agreement; except that, if the covered person owes the out-of-network dentist less than the amount of the dental benefit payment, the covered person shall pay the dentist the balance owed to the dentist.

d. A covered person who fails to sign over the dental benefit payment in accordance with this section, shall be liable to the out-of-network dentist for payment of attorney fees and costs reasonably incurred by the dentist in enforcing the agreement established pursuant to this section.

C.17:48D-9.6 Payment of out-of-network benefits by dental plan organization.

2. a. (1) A dental plan organization that makes a dental benefit payment to an enrollee for services rendered by an out-of-network dentist shall issue the payment to the enrollee in accordance with the time frames set forth in section 9 of P.L.1999, c.154 (C.17:48D-9.4), and shall, within three days of issuing the payment, provide a notification to the out-of-network dentist of the amount and date of the payment and the services for which the payment was made.

(2) In the case of a dental plan organization that supplies an administrative services only contract and makes a dental benefit payment to an enrollee for services rendered by an out-of-network dentist under that contract, paragraph (1) of this subsection shall not apply, but the dental plan organization shall, within three days of issuing the payment, provide a notification to the out-of-network dentist of the amount and date of the payment.

b. An enrollee may enter into an agreement with an out-of-network dentist to sign over the dental benefit payment received from the dental plan organization to the dentist. The agreement shall:

(1) be in writing;

(2) be signed by the person who is entitled to receive the dental benefit payment from the dental plan organization;

(3) be retained by the dentist for at least six years following the date of the most recent payment from the enrollee; and

(4) give the enrollee at least 10 business days within which to sign over the dental benefit to the dentist.

c. An enrollee who agrees to sign over a dental benefit payment in accordance with this

section, shall comply with the terms of the agreement; except that, if the enrollee owes the out-of-network dentist less than the amount of the dental benefit payment, the enrollee shall pay the dentist the balance owed to the dentist.

d. An enrollee who fails to sign over the dental benefit payment in accordance with this section, shall be liable to the out-of-network dentist for payment of attorney fees and costs reasonably incurred by the dentist in enforcing the agreement established pursuant to this section.

C.17:48E-10.2 Payment of out-of-network dental benefits by health service corporation.

3. a. (1) A health service corporation that makes a dental benefit payment to a covered person for services rendered by an out-of-network dentist shall issue the payment to the covered person in accordance with the time frames set forth in section 4 of P.L.1999, c.154 (C.17:48E-10.1), and shall, within three days of issuing the payment, provide a notification to the out-of-network dentist of the amount and date of the payment and the services for which the payment was made.

(2) In the case of a health service corporation that supplies an administrative services only contract and makes a dental benefit payment to a covered person for services rendered by an out-of-network dentist under that contract, paragraph (1) of this subsection shall not apply, but the health service corporation shall, within three days of issuing the payment, provide a notification to the out-of-network dentist of the amount and date of the payment.

b. A covered person may enter into an agreement with an out-of-network dentist to sign over the dental benefit payment received from the health service corporation to the dentist. The agreement shall:

- (1) be in writing;
- (2) be signed by the person who is entitled to receive the dental benefit payment from the health service corporation;
- (3) be retained by the dentist for at least six years following the date of the most recent payment from the covered person; and
- (4) give the covered person at least 10 business days within which to sign over the dental benefit to the dentist.

c. A covered person who agrees to sign over a dental benefit payment in accordance with this section, shall comply with the terms of the agreement; except that, if the covered person owes the out-of-network dentist less than the amount of the dental benefit payment, the covered person shall pay the dentist the balance owed to the dentist.

d. A covered person who fails to sign over the dental benefit payment in accordance with this section, shall be liable to the out-of-network dentist for payment of attorney fees and costs reasonably incurred by the dentist in enforcing the agreement established pursuant to this section.

4. This act shall take effect on the 60th day after enactment

Approved January 14, 2004.