

CHAPTER 286

AN ACT concerning health care provider fees in managed care plans and supplementing P.L.1997, c.192 (C.26:2S-1 et seq.).

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

C.26:2S-9.2 Written fee schedule information furnished to health care providers, proprietary information.

1. a. A carrier which offers a managed care plan that negotiates with a health care provider to become a participating provider, who is reimbursed per procedure under the plan, shall, upon request, furnish the health care provider with a written fee schedule, or in an electronic format if agreed upon by both parties, showing the fees for the 20 most common evaluation and management codes and the 20 most common office-based or hospital-based in-network services for the health care provider's specialty or sub-specialty, to be provided by the health care provider under the plan pursuant to the proposed or existing contract between the carrier and health care provider. If the carrier negotiates with the health care provider to become a participating provider under more than one managed care plan offered by the carrier, the carrier shall provide the applicable fee schedule for each plan. If the carrier negotiates a fee schedule with the health care provider that is specific to that health care provider, the carrier shall provide only the applicable fee schedule for that health care provider. If the rate that the health care provider will be paid is a percentage of another rate, it shall be sufficient for the carrier to provide that formula to the health care provider. The carrier shall furnish the fee schedule pursuant to this subsection within 15 days of the request of the provider.

The fee schedule provided to the health care provider by the carrier is proprietary and shall be confidential. Unauthorized distribution of the fee schedule may result in the health care provider's termination from the network in accordance with the provisions of N.J.A.C. 8:38-1.1 et seq.

b. The carrier shall reimburse the health care provider in accordance with the fee schedule provided to the health care provider pursuant to the contract. The carrier may revise the fee schedule upon providing the health care provider with written notice of the change and, upon request, a copy of the revised fee schedule.

c. Nothing in this section shall be construed to limit the ability of a carrier to make payments under a managed care plan based on its claims payment policies.

C.26:2S-9.3 Violations, penalty.

2. A carrier which violates any provision of this act shall be liable to a penalty of not more than \$1,000 for each violation. Each failure to timely respond to a health care provider's request for a fee schedule shall be considered a separate violation. The penalty shall be collected by the Commissioner of Banking and Insurance in the name of the State in a summary proceeding in accordance with the "Penalty Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).

3. This act shall take effect on the 120th day after enactment

Approved January 9, 2006.