

A2751

Brief Description:

Healthcare Disclosure and Transparency Act.

Out of network providers must make a good faith effort to collect member liability

Network providers may not ask payment in excess of co-pay, deductible and coinsurance.

Medical services provided by a non network provider at a network facility must be paid at the carrier contracted rate.

Applies to fully insured and self funded.

Applies to hospital, medical and Medicare supplement.

Bill #/Sponsor(s):

Assemblyman G. Schaer (D-Passaic)

Reasons to Support:

- Regarding the requirement that non network providers make a good faith effort, we would like a more precise definition of “attempt”.
- Support the requirement for providers to notify carrier if waiving payment.
- Network providers may not ask payment in excess of co-pay, deductible and coinsurance meaning NO balance billing.
- Medical services provided by a non network provider at a network facility must be paid at the carrier contracted rate. This has been in effect in NJ since March 2002 under P.L. 2001, c. 367. Note balance billing is permitted.
- The Individual and Small Employer Health Boards are now contemplating a new system for non network reimbursement to replace PHCS (the old HIAA) that is terminating. The boards are considering using some minimum percentage of Medicare solely as a benchmark. Balance billing becomes a much bigger issue if Medicare



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is used as the balance amounts for the member could dramatically increase. On the other hand forcing network use is a primary motive.

Reasons to Oppose:

- The ability to waive payment. The bill needs a better definition of “financial hardship” as well as enforcement language to minimize abuse. Actual examples would help.

NJAHU Position:

Conditional Support

Status:

May 10, 2012 first heard by Regulated Professions Committee