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[First Reprint]

**SENATE, No. 89**

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**STATE OF NEW JERSEY**

**214th LEGISLATURE**

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PRE-FILED FOR INTRODUCTION IN THE 2010 SESSION

**Sponsored by:**

**Senator RONALD L. RICE**

**District 28 (Essex)**

**Assemblyman HERB CONAWAY, JR.**

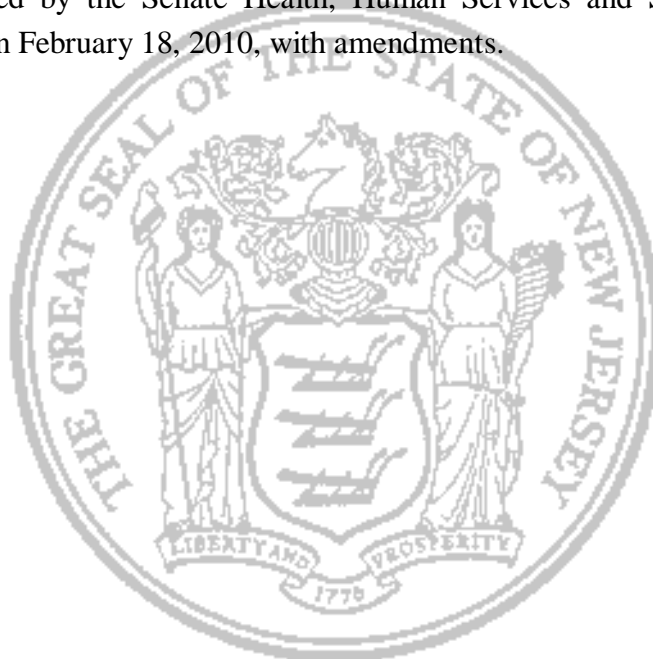
**District 7 (Burlington and Camden)**

**SYNOPSIS**

Requires licensed health care professionals and facilities to bill Medicare beneficiaries within 90 days of date insurance payment is finalized.

**CURRENT VERSION OF TEXT**

As reported by the Senate Health, Human Services and Senior Citizens Committee on February 18, 2010, with amendments.



**(Sponsorship Updated As Of: 10/26/2010)**

1 AN ACT concerning health care provider billing for certain patients  
2 and supplementing Titles 26 and 45 of the Revised Statutes.

3

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

6

7 1. a. A health care facility licensed pursuant to P.L.1971,  
8 c.136 (C.26:2H-1 et seq.), which provides a health care service to a  
9 Medicare beneficiary, shall bill the beneficiary, within <sup>1</sup>**[**six months  
10 of providing the service, **]** 90 days from the date the payment from  
11 Medicare or other third party payer is finalized<sup>1</sup> for any amounts  
12 due and owing for the service that are not reimbursed by the  
13 Medicare program or other third party payer.

14 b. In the event the health care facility does not submit a bill to  
15 the beneficiary within <sup>1</sup>**[**six months of the date the service was  
16 provided **]** 90 days from the date the payment from Medicare or  
17 other third party payer is finalized<sup>1</sup>, the health care facility shall not  
18 be permitted to report any nonpayment of the bill by the beneficiary  
19 to a consumer reporting agency.

20 <sup>1</sup>**[**Notwithstanding the provisions of this section to the contrary,  
21 if the facility can document that payment from the Medicare  
22 program or other third party payer has not been finalized or is still  
23 in dispute six months after the date the service was provided and the  
24 amount due and owing by the beneficiary has not yet been  
25 determined, the facility shall have 30 days from the date the  
26 payment is finalized to bill the beneficiary. **]**<sup>1</sup>

27 c. A health care facility that violates the provisions of this  
28 section shall be subject to such penalties as the Commissioner of  
29 Health and Senior Services may determine pursuant to sections 13  
30 and 14 of P.L.1971, c.136 (C.26:2H-13 and 26:2H-14).

31 d. As used in this section:

32 "Consumer reporting agency" means any person which, for  
33 monetary fees, dues, or on a cooperative nonprofit basis, regularly  
34 engages, in whole or in part, in the practice of assembling or  
35 evaluating consumer credit information or other information on  
36 consumers for the purpose of furnishing consumer reports to third  
37 parties, and which uses any means or facility for the purpose of  
38 preparing or furnishing consumer reports.

39

40 2. a. A health care professional licensed pursuant to Title 45 of  
41 the Revised Statutes, who provides a health care service to a  
42 Medicare beneficiary, shall bill the beneficiary, within <sup>1</sup>**[**six months  
43 of providing the service, **]** 90 days from the date the payment from

**EXPLANATION** – Matter enclosed in bold-faced brackets **[ thus ]** in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup>Senate SHH committee amendments adopted February 18, 2010.

1 Medicare or other third party payer is finalized<sup>1</sup> for any amounts  
2 due and owing for the service that are not reimbursed by the  
3 Medicare program or other third party payer.

4 b. In the event the health care professional does not submit a  
5 bill to the beneficiary within <sup>1</sup>**[six months of the date the service**  
6 **was provided]** 90 days from the date the payment from Medicare or  
7 other third party payer is finalized<sup>1</sup>, the health care professional  
8 shall not be permitted to report any nonpayment of the bill by the  
9 beneficiary to a consumer reporting agency.

10 <sup>1</sup>**[Notwithstanding the provisions of this section to the contrary,**  
11 **if the health care professional can document that payment from the**  
12 **Medicare program or other third party payer has not been finalized**  
13 **or is still in dispute six months after the date the service was**  
14 **provided and the amount due and owing by the beneficiary has not**  
15 **yet been determined, the professional shall have 30 days from the**  
16 **date the payment is finalized to bill the beneficiary.]**<sup>1</sup>

17 c. A health care professional who violates the provisions of this  
18 section shall be subject to such penalties as the Director of  
19 Consumer Affairs in the Department of Law and Public Safety may  
20 determine pursuant to sections 9 and 12 of P.L.1978, c.73 (C.45:1-  
21 22 and 45:1-25).

22 d. As used in this section:

23 "Consumer reporting agency" means any person which, for  
24 monetary fees, dues, or on a cooperative nonprofit basis, regularly  
25 engages, in whole or in part, in the practice of assembling or  
26 evaluating consumer credit information or other information on  
27 consumers for the purpose of furnishing consumer reports to third  
28 parties, and which uses any means or facility for the purpose of  
29 preparing or furnishing consumer reports.

30

31 3. This act shall take effect on the 90th day after enactment and  
32 shall apply to health care services provided on or after the effective  
33 date.

# SENATE, No. 89

## STATE OF NEW JERSEY 214th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2010 SESSION

**Sponsored by:**

**Senator RONALD L. RICE**

**District 28 (Essex)**

**SYNOPSIS**

Requires licensed health care professionals and facilities to bill Medicare beneficiaries within six months of providing health care service.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel



1 AN ACT concerning health care provider billing for certain patients  
2 and supplementing Titles 26 and 45 of the Revised Statutes.

3

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

6

7 1. a. A health care facility licensed pursuant to P.L.1971,  
8 c.136 (C.26:2H-1 et seq.), which provides a health care service to a  
9 Medicare beneficiary, shall bill the beneficiary, within six months  
10 of providing the service, for any amounts due and owing for the  
11 service that are not reimbursed by the Medicare program or other  
12 third party payer.

13 b. In the event the health care facility does not submit a bill to  
14 the beneficiary within six months of the date the service was  
15 provided, the health care facility shall not be permitted to report any  
16 nonpayment of the bill by the beneficiary to a consumer reporting  
17 agency.

18 Notwithstanding the provisions of this section to the contrary, if  
19 the facility can document that payment from the Medicare program  
20 or other third party payer has not been finalized or is still in dispute  
21 six months after the date the service was provided and the amount  
22 due and owing by the beneficiary has not yet been determined, the  
23 facility shall have 30 days from the date the payment is finalized to  
24 bill the beneficiary.

25 c. A health care facility that violates the provisions of this  
26 section shall be subject to such penalties as the Commissioner of  
27 Health and Senior Services may determine pursuant to sections 13  
28 and 14 of P.L.1971, c.136 (C.26:2H-13 and 26:2H-14).

29 d. As used in this section:

30 "Consumer reporting agency" means any person which, for  
31 monetary fees, dues, or on a cooperative nonprofit basis, regularly  
32 engages, in whole or in part, in the practice of assembling or  
33 evaluating consumer credit information or other information on  
34 consumers for the purpose of furnishing consumer reports to third  
35 parties, and which uses any means or facility for the purpose of  
36 preparing or furnishing consumer reports.

37

38 2. a. A health care professional licensed pursuant to Title 45 of  
39 the Revised Statutes, who provides a health care service to a  
40 Medicare beneficiary, shall bill the beneficiary, within six months  
41 of providing the service, for any amounts due and owing for the  
42 service that are not reimbursed by the Medicare program or other  
43 third party payer.

44 b. In the event the health care professional does not submit a  
45 bill to the beneficiary within six months of the date the service was  
46 provided, the health care professional shall not be permitted to

1 report any nonpayment of the bill by the beneficiary to a consumer  
2 reporting agency.

3 Notwithstanding the provisions of this section to the contrary, if  
4 the health care professional can document that payment from the  
5 Medicare program or other third party payer has not been finalized  
6 or is still in dispute six months after the date the service was  
7 provided and the amount due and owing by the beneficiary has not  
8 yet been determined, the professional shall have 30 days from the  
9 date the payment is finalized to bill the beneficiary.

10 c. A health care professional who violates the provisions of this  
11 section shall be subject to such penalties as the Director of  
12 Consumer Affairs in the Department of Law and Public Safety may  
13 determine pursuant to sections 9 and 12 of P.L.1978, c.73 (C.45:1-  
14 22 and 45:1-25).

15 d. As used in this section:

16 "Consumer reporting agency" means any person which, for  
17 monetary fees, dues, or on a cooperative nonprofit basis, regularly  
18 engages, in whole or in part, in the practice of assembling or  
19 evaluating consumer credit information or other information on  
20 consumers for the purpose of furnishing consumer reports to third  
21 parties, and which uses any means or facility for the purpose of  
22 preparing or furnishing consumer reports.

23

24 3. This act shall take effect on the 90th day after enactment and  
25 shall apply to health care services provided on or after the effective  
26 date.

27

28

29

STATEMENT

30

31 This bill will ensure that Medicare beneficiaries are provided  
32 timely notice by health care professionals and health care facilities  
33 that render services to the beneficiaries of any amounts owed to  
34 health care providers after payment is made by the Medicare  
35 program or other third party payer.

36 Specifically, the bill requires a health care provider that provides  
37 a health care service to a Medicare beneficiary to bill the  
38 beneficiary within six months of providing the service for any  
39 amounts due and owing for the service that are not reimbursed by  
40 the Medicare program or other third party payer. In the event the  
41 health care provider does not submit a bill to the beneficiary within  
42 six months of the date the service was provided, the health care  
43 provider shall not be permitted to report any nonpayment of the bill  
44 by the beneficiary to a consumer reporting agency. If, however, the  
45 provider can document that payment from the Medicare program or  
46 other third party payer has not been finalized or is still in dispute  
47 six months after the date the service was provided and the amount



**S89 RICE**

4

1 due and owing by the beneficiary has not yet been determined, the  
2 provider shall have 30 days from the date the payment is finalized  
3 to bill the beneficiary.

4 A health care provider that violates the provisions of this bill  
5 shall be subject to such penalties as the Commissioner of Health  
6 and Senior Services or Director of Consumer Affairs, as applicable,  
7 may determine.

SENATE HEALTH, HUMAN SERVICES AND SENIOR  
CITIZENS COMMITTEE

STATEMENT TO

**SENATE, No. 89**

with committee amendments

**STATE OF NEW JERSEY**

DATED: FEBRUARY 18, 2010

The Senate Health, Human Services and Senior Citizens Committee reports favorably and with amendments Senate Bill No. 89.

As amended by committee, this bill will ensure that Medicare beneficiaries are provided timely notice by their health care professionals and health care facilities of any amounts owed to the health care professional or facility after payment is made by the Medicare program or other third party payer.

Specifically, the bill requires a health care professional or facility that provides a health care service to a Medicare beneficiary to bill the beneficiary within 90 days from the date the payment from Medicare or other third party payer is finalized for any amounts due and owing for the service that are not reimbursed by the Medicare program or other third party payer. In the event the health care provider does not submit a bill to the beneficiary within the 90-day period, the health care provider shall not be permitted to report any nonpayment of the bill by the beneficiary to a consumer reporting agency.

A health care professional or facility that violates the provisions of this bill shall be subject to such penalties as the Commissioner of Health and Senior Services or Director of Consumer Affairs, as applicable, may determine.

The bill takes effect on the 90<sup>th</sup> day after enactment and will apply to health care services provided on or after the effective date.

The committee amended the bill to only require that the health care professional or facility bill the Medicare beneficiary within 90 days from the date the payment from Medicare or other third party payer is finalized for any amounts due and owing for the service that are not reimbursed by the Medicare program or other third party payer. The amendments delete the requirement that the health care professional or facility bill the beneficiary within six months of providing the health care service, since Medicare billing regulations permit a longer period of time for providers to submit claims, and the six month requirement may have been in conflict with Medicare regulations.

This bill was pre-filed for introduction in the 2010-2011 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

# ASSEMBLY HEALTH AND SENIOR SERVICES COMMITTEE

## STATEMENT TO

[First Reprint]

**SENATE, No. 89**

# **STATE OF NEW JERSEY**

DATED: OCTOBER 18, 2010

The Assembly Health and Senior Services Committee reports favorably Senate Bill No. 89 (1R).

This bill is intended to ensure that health care providers provide timely notice to their patients who are Medicare beneficiaries of any amounts owed for health care services rendered after payment is made by the Medicare program or another third party payer.

The bill provides specifically as follows:

- A provider (health care facility or health care professional) that provides a health care service to a Medicare beneficiary is to bill the beneficiary within 90 days from the date the payment from Medicare or other third party payer is finalized for any amounts due and owing for the service that are not reimbursed by the Medicare program or other third party payer.
- In the event that the provider does not submit a bill to the beneficiary within the 90-day period, the provider is not permitted to report any nonpayment of the bill by the beneficiary to a consumer reporting agency.
- The bill defines “consumer reporting agency” to mean any person which, for monetary fees, dues, or on a cooperative nonprofit basis, regularly engages, in whole or in part, in the practice of assembling or evaluating consumer credit information or other information on consumers for the purpose of furnishing consumer reports to third parties, and which uses any means or facility for the purpose of preparing or furnishing consumer reports.
- A provider that violates the provisions of the bill is subject to such penalties as the Commissioner of Health and Senior Services or the Director of the Division of Consumer Affairs in the Department of Law and Public Safety, as applicable, may determine.
- The bill takes effect on the 90th day after enactment and applies to health care services provided on or after the effective date.

This bill is identical to Assembly Bill No. 3203 (Conaway), which the committee also reported on this date.

[Corrected Copy]

**ASSEMBLY, No. 3203**

**STATE OF NEW JERSEY**  
**214th LEGISLATURE**

INTRODUCED SEPTEMBER 16, 2010

**Sponsored by:**

**Assemblyman HERB CONAWAY, JR.**

**District 7 (Burlington and Camden)**

**SYNOPSIS**

Requires licensed health care professionals and facilities to bill Medicare beneficiaries within 90 days of date insurance payment is finalized.

**CURRENT VERSION OF TEXT**

As introduced.



A3203 CONAWAY

2

1 AN ACT concerning health care provider billing for certain patients  
2 and supplementing Titles 26 and 45 of the Revised Statutes.

3

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

6

7 1. a. A health care facility licensed pursuant to P.L.1971,  
8 c.136 (C.26:2H-1 et seq.), which provides a health care service to a  
9 Medicare beneficiary, shall bill the beneficiary, within 90 days from  
10 the date the payment from Medicare or other third party payer is  
11 finalized for any amounts due and owing for the service that are not  
12 reimbursed by the Medicare program or other third party payer.

13 b. In the event the health care facility does not submit a bill to  
14 the beneficiary within 90 days from the date the payment from  
15 Medicare or other third party payer is finalized, the health care  
16 facility shall not be permitted to report any nonpayment of the bill  
17 by the beneficiary to a consumer reporting agency.

18 c. A health care facility that violates the provisions of this  
19 section shall be subject to such penalties as the Commissioner of  
20 Health and Senior Services may determine pursuant to sections 13  
21 and 14 of P.L.1971, c.136 (C.26:2H-13 and 26:2H-14).

22 d. As used in this section:

23 "Consumer reporting agency" means any person which, for  
24 monetary fees, dues, or on a cooperative nonprofit basis, regularly  
25 engages, in whole or in part, in the practice of assembling or  
26 evaluating consumer credit information or other information on  
27 consumers for the purpose of furnishing consumer reports to third  
28 parties, and which uses any means or facility for the purpose of  
29 preparing or furnishing consumer reports.

30

31 2. a. A health care professional licensed pursuant to Title 45 of  
32 the Revised Statutes, who provides a health care service to a  
33 Medicare beneficiary, shall bill the beneficiary, within 90 days from  
34 the date the payment from Medicare or other third party payer is  
35 finalized for any amounts due and owing for the service that are not  
36 reimbursed by the Medicare program or other third party payer.

37 b. In the event the health care professional does not submit a  
38 bill to the beneficiary within 90 days from the date the payment  
39 from Medicare or other third party payer is finalized, the health care  
40 professional shall not be permitted to report any nonpayment of the  
41 bill by the beneficiary to a consumer reporting agency.

42 c. A health care professional who violates the provisions of this  
43 section shall be subject to such penalties as the Director of  
44 Consumer Affairs in the Department of Law and Public Safety may  
45 determine pursuant to sections 9 and 12 of P.L.1978, c.73 (C.45:1-  
46 22 and 45:1-25).

47 d. As used in this section:

1 "Consumer reporting agency" means any person which, for  
2 monetary fees, dues, or on a cooperative nonprofit basis, regularly  
3 engages, in whole or in part, in the practice of assembling or  
4 evaluating consumer credit information or other information on  
5 consumers for the purpose of furnishing consumer reports to third  
6 parties, and which uses any means or facility for the purpose of  
7 preparing or furnishing consumer reports.

8  
9 3. This act shall take effect on the 90th day after enactment and  
10 shall apply to health care services provided on or after the effective  
11 date.

12

13

14

#### STATEMENT

15

16 This bill will ensure that Medicare beneficiaries are provided  
17 timely notice by their health care professionals and health care  
18 facilities of any amounts owed to the health care professional or  
19 facility after payment is made by the Medicare program or other  
20 third party payer.

21 Specifically, the bill requires a health care professional or  
22 facility that provides a health care service to a Medicare beneficiary  
23 to bill the beneficiary within 90 days from the date the payment  
24 from Medicare or other third party payer is finalized for any  
25 amounts due and owing for the service that are not reimbursed by  
26 the Medicare program or other third party payer. In the event the  
27 health care provider does not submit a bill to the beneficiary within  
28 the 90-day period, the health care provider shall not be permitted to  
29 report any nonpayment of the bill by the beneficiary to a consumer  
30 reporting agency.

31 A health care professional or facility that violates the provisions  
32 of this bill shall be subject to such penalties as the Commissioner of  
33 Health and Senior Services or Director of Consumer Affairs, as  
34 applicable, may determine.

35 The bill takes effect on the 90<sup>th</sup> day after enactment and will  
36 apply to health care services provided on or after the effective date.

# ASSEMBLY HEALTH AND SENIOR SERVICES COMMITTEE

## STATEMENT TO

### ASSEMBLY, No. 3203

# STATE OF NEW JERSEY

DATED: OCTOBER 18, 2010

The Assembly Health and Senior Services Committee reports favorably Assembly Bill No. 3203.

This bill is intended to ensure that health care providers provide timely notice to their patients who are Medicare beneficiaries of any amounts owed for health care services rendered after payment is made by the Medicare program or another third party payer.

The bill provides specifically as follows:

- A provider (health care facility or health care professional) that provides a health care service to a Medicare beneficiary is to bill the beneficiary within 90 days from the date the payment from Medicare or other third party payer is finalized for any amounts due and owing for the service that are not reimbursed by the Medicare program or other third party payer.
- In the event that the provider does not submit a bill to the beneficiary within the 90-day period, the provider is not permitted to report any nonpayment of the bill by the beneficiary to a consumer reporting agency.
- The bill defines “consumer reporting agency” to mean any person which, for monetary fees, dues, or on a cooperative nonprofit basis, regularly engages, in whole or in part, in the practice of assembling or evaluating consumer credit information or other information on consumers for the purpose of furnishing consumer reports to third parties, and which uses any means or facility for the purpose of preparing or furnishing consumer reports.
- A provider that violates the provisions of the bill is subject to such penalties as the Commissioner of Health and Senior Services or the Director of the Division of Consumer Affairs in the Department of Law and Public Safety, as applicable, may determine.
- The bill takes effect on the 90th day after enactment and applies to health care services provided on or after the effective date.

This bill is identical to Senate Bill No. 89 (1R) (Rice), which the committee also reported on this date.