26:2S-19

LEGISLATIVE HISTORY CHECKLIST

Compiled by the NJ State Law Library

LAWS OF: 2001 **CHAPTER:** 14

NJSA: 26:2S-19 (Managed health care assistance program)

BILL NO: A1088 (Substituted for S637)

SPONSOR(S): Carabello and DiGaetano

DATE INTRODUCED: Prefiled

COMMITTEE: **ASSEMBLY:** Health; Appropriations

SENATE: **------**

AMENDED DURING PASSAGE: Yes

DATE OF PASSAGE: **ASSEMBLY:** December 11, 2000

SENATE: December 18, 2000

DATE OF APPROVAL: January 29, 2001

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL (2nd reprint enacted)

(Amendments during passage denoted by superscript numbers)

A1088

SPONSORS STATEMENT: (Begins on page 6 of original bill) Yes

COMMITTEE STATEMENT: **ASSEMBLY**: Yes 6-19-2000 (Health)

6-22-2000 (Approp.)

SENATE: No

FLOOR AMENDMENT STATEMENT: Yes

LEGISLATIVE FISCAL ESTIMATE: No

S637

SPONSORS STATEMENT: (Begins on page 6 of original bill) Yes

Bill and Sponsors Statement identical to A1088

COMMITTEE STATEMENT: **ASSEMBLY**: No

SENATE: Yes 3-20-2000 (Health)

6-19-2000 (Budget)

Identical to Assembly Statements for A1088

FLOOR AMENDMENT STATEMENT: Yes

LEGISLATIVE FISCAL ESTIMATE: No

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: Yes

FOLLOWING WERE PRINTED:

To check for circulating copies, contact New Jersey State Government

Publications at the State Library (609) 278-2640 ext.103 or mailto:refdesk@njstatelib.org

REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES: Yes

"New agency to help patients with HMO woes," 2-4-2001 Asbury Park Press, , p.A2

Law creates HMO help for consumers," 2-4-2001 Trenton Times, p.A15

ASSEMBLY, No. 895

STATE OF NEW JERSEY

209th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2000 SESSION

Sponsored by:
Assemblyman CHRISTOPHER "KIP" BATEMAN
District 16 (Morris and Somerset)
Assemblyman PETER J. BIONDI
District 16 (Morris and Somerset)

Co-Sponsored by:
Assemblywoman Murphy and Assemblyman Lance

SYNOPSIS
Establishes special license plate to promote agriculture.

CURRENT VERSION OF TEXT
Introduced Pending Technical Review by Legislative Counsel.

1 **AN ACT** concerning special license plates and supplementing chapter
2 3 of Title 39 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. The Director of the Division of Motor Vehicles shall, upon
8 proper application therefor, issue "Promote Agriculture" license plates
9 for any motor vehicle owned or leased and registered in the State.
10 Under this act, any motor vehicle shall include, in addition to
11 passenger motor vehicles, all commercial, farm use and farm vehicles
12 issued registration or license plates pursuant to R.S.39:3-20, R.S.39:3-
13 24 or R.S.39:3-25. In addition to the registration number and other
14 markings prescribed by law, a "Promote Agriculture" license plate
15 shall display the words "Garden State" and an emblem indicating
16 interest in agriculture in New Jersey. The license plate shall be
17 designed by the director, in consultation with the New Jersey Farm
18 Bureau. Issuance of the "Promote Agriculture" license plates in
19 accordance with this section shall be subject to the provisions of
20 chapter 3 of Title 39 of the Revised Statutes, except as hereinafter
21 otherwise specifically provided.
22
23 2. An application for issuance of a "Promote Agriculture" license
24 plate shall be accompanied by a fee of $15, in addition to the fees
25 otherwise required by law for the registration of the motor vehicle.
26
27 3. a. The director shall annually certify the average cost per license
28 plate incurred in the immediately preceding year by the division in
29 producing and publicizing the availability of the "Promote Agriculture"
30 license plates.
31 b. In the event that the average cost per license plate, as certified
32 by the director and approved by the Joint Budget Oversight
33 Committee, or its successor, is greater than the application fee
34 established in section 2 of P.L. , c. (C.) (now pending
35 before the Legislature as this act) in two consecutive fiscal years, the
36 director may increase the fee for a "Promote Agriculture" license plate
37 to an amount which, as certified by the director and approved by the
38 Joint Budget Oversight Committee, or its successor, is equal to the
39 average cost per license plate.
40
41 4. The director shall notify eligible motorists of the opportunity to
42 obtain "Promote Agriculture" license plates by including a notice with
43 all motor vehicle registration renewals, and by posting appropriate
44 posters or signs in all division facilities and offices. The notices,
45 posters, and signs shall be designed by the director after consultation
46 with the New Jersey Farm Bureau.

5. This act shall take effect on the 180th day after enactment, but the Director of the Division of Motor Vehicles may take such anticipatory acts in advance of that date as may be necessary for the timely implementation of this act.

STATEMENT

This bill would establish a special "Promote Agriculture" license plate with the purpose of publicizing and focusing the public's attention on agriculture in the Garden State. The plate would bear the words "Garden State" and an emblem designed by the Director of the Division of Motor Vehicles (DMV) in consultation with the New Jersey Farm Bureau. The plates would be available to all passenger motor vehicles as well as commercial, farm use and farm vehicles.

The fee for such a plate would be $15 in addition to the standard registration fees. These monies would be used to offset the costs associated with producing and publicizing the availability of the "Promote Agriculture" license plates and any initial computer programming fees which may be necessary to implement the "Promote Agriculture" license plates.

If, after two consecutive fiscal years, the cost of the plate is greater than the application fee, the bill authorizes DMV to increase the license plate fee to equal the certified average cost per license plate. The average cost must be certified by the director and approved by the Joint Budget Oversight Committee before it can be increased.

The food and agriculture industry is one of New Jersey's largest, ranking after pharmaceuticals and tourism in the economic benefits it brings to the State. There are approximately 9,400 farms throughout the State, with productive farmland covering nearly one million acres or about 20 percent of New Jersey's land area. Many of the State's farms are family-owned and operated. The "Promote Agriculture" license plate would help illustrate the State's support for the continued prosperity of the family farm in New Jersey.

ASSEMBLY HEALTH COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1088

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 19, 2000

The Assembly Health Committee reports favorably and with committee amendments Assembly Bill No. 1088.

As amended by the committee, this bill establishes a Managed Health Care Consumer Assistance Program in the Department of Health and Senior Services (DHSS) and directs the Commissioner of Health and Senior Services to contract with two independent, private nonprofit consumer advocacy organizations, the Community Health Law Project and New Jersey Protection and Advocacy, Inc., to operate the program in the northern and southern regions of the State, respectively. This program, through training, counseling and representation, will be designed to prepare, educate and assist health care consumers about their rights in a managed health care system, particularly those who have chronic disabilities or are senior citizens.

Specifically, the bill:

C requires the program to:

(1) create and provide educational materials and training to consumers regarding their rights and responsibilities as enrollees in managed care plans, including materials and training specific to the Medicaid and Medicare programs, respectively, and to commercial managed care plans;

(2) assist individual enrollees with various complaint, grievance and appeal processes, including representation in State fair hearings;

(3) provide support to, and coordination with, other patient advocacy groups, including legal services programs;

(4) maintain a toll-free telephone number for consumers to call for information and assistance;

(5) advocate for policies and programs that protect consumer interests and rights under managed care plans and identify, investigate, publicize and promote the removal of barriers, by way of practices, policies, laws, or regulations, to individuals' access to quality health care;

(6) ensure that individuals have timely access to the services of, and receive timely responses from, the program; and

(7) provide feedback to managed care plans, beneficiary advisory groups and employers regarding enrollees' concerns and problems;

C stipulates that the program shall have access to:

-- the medical and other records of an individual enrollee maintained by a managed care plan, upon the specific written authorization of the enrollee or his legal representative;

-- the administrative records, policies, and documents of managed care plans to which individuals or the general public have access; and

-- all licensing, certification, and data reporting records maintained by the State or reported to the federal government by the State that are not proprietary information or otherwise protected by law, with copies thereof to be supplied to the program by the State upon the request of the program;

C requires the program to take such actions as are necessary to protect the identity and confidentiality of any complainant or other individual with respect to whom the program maintains files or records;

C provides that the program shall seek to complement, and to coordinate its activities with, other consumer advocacy organizations, legal assistance providers serving low-income and other vulnerable health care consumers, other managed care assistance and health insurance counseling assistance programs, and relevant State agencies;

C requires the Commissioner of Health and Senior Services to report to the Governor and the Legislature, no later than 18 months after the effective date of the bill and annually thereafter, on the activities of the program and its effectiveness in meeting its objectives;

C requires insurers which offer managed care plans to provide information about the program to their enrollees at the time of enrollment and annually thereafter as prescribed by regulation of the commissioner, including the toll-free telephone number available to contact the program;

C provides immunity from liability to an employee, volunteer, board member or other representative of an organization selected by the commissioner to operate the program for any action taken in the good faith performance of their official duties in connection with the program; and

C appropriates $800,000 annually from the General Fund, or from the monies received by the State under the nationwide tobacco settlement, to DHSS to provide funding for the program, of which sum: at least $380,000 shall be allocated to each of the organizations selected by the commissioner to operate the program, with a maximum of 5% to be allocated for the administrative expenses of DHSS associated with the program.

The committee amended the bill to specify that the program shall have access to:

-- medical and other records of an enrollee of a managed care plan, upon the specific written authorization of the enrollee; and

-- all licensing, certification and data reporting records maintained by the State or reported to the federal government by the State, that are not proprietary information or otherwise protected by law.

The committee also adopted technical amendments to update a fiscal year reference (to FY 2002 in subsection b. of section 6) and the effective date of the bill (to July 1, 2000).

As reported by the committee, this bill is similar to Assembly Bill No. 2750 (1R) of 1999 (Caraballo/DiGaetano), which this committee reported during the prior session. The reported bill is identical to Senate Bill No. 637 (1R) Sca of 2000 (Matheussen/Sinagra), which is pending before the Senate.

This bill was prefiled for introduction in the 2000-2001 session pending technical review. As reported, the bill includes the changes required by technical review which has been performed.

[First Reprint]

ASSEMBLY, No. 1088

STATE OF NEW JERSEY

209th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2000 SESSION

Sponsored by:
Assemblyman WILFREDO CARABALLO
District 28 (Essex)
Assemblyman PAUL DIGAETANO
District 36 (Bergen, Essex and Passaic)

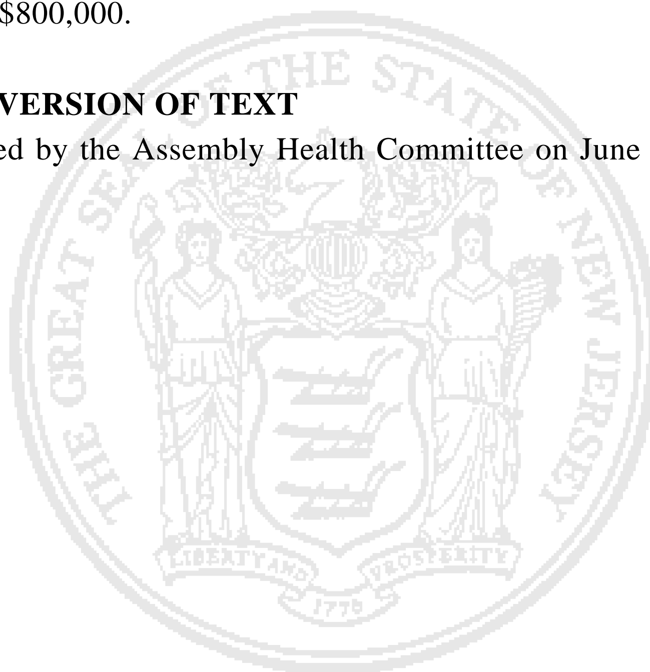
Co-Sponsored by:
Assemblymen Jones, B.Smith, Payne, Stanley, Arnone, Assemblywoman Vandervalk, Assemblyman LeFevre, Assemblywoman Watson Coleman and Assemblyman Conaway

SYNOPSIS

Establishes Managed Health Care Consumer Assistance Program; appropriates $800,000.

CURRENT VERSION OF TEXT

As reported by the Assembly Health Committee on June 19, 2000, with amendments.



(Sponsorship Updated As Of: 10/6/2000)

1 **AN ACT** establishing a Managed Health Care Consumer Assistance
2 Program, amending and supplementing P.L.1997, c.192, and
3 making an appropriation therefor.
4
5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
6 *of New Jersey:*
7
8 1. (New section) The Legislature finds and declares that:
9 a. Managed health care, regardless of the form it takes, is now the
10 primary vehicle for the delivery of health care in this nation; and the
11 rapid transition to managed health care has left consumers confused
12 and concerned about how it affects them and how to navigate the
13 managed health care system;
14 b. Despite the clear promises of reduced costs, quality service and
15 comprehensive care made by managed care plans, many consumers are
16 uncertain about how to obtain appropriate care and inhibited in their
17 efforts to do so. They often lack necessary information about the
18 benefits and referral requirements of specific plans and have no access
19 to resources which might assist them to obtain quality care on a timely
20 basis;
21 c. Consumers need help understanding their rights and
22 responsibilities and how to access care and assert their rights in a
23 complex managed care environment; and
24 d. It is, therefore, in the public interest to establish a program to
25 provide consumers with the information and assistance they need to
26 access the high-quality, cost-effective health care available from
27 managed care plans and to monitor the performance of the managed
28 care system in this State in order to ensure that systemic problems are
29 corrected as necessary and to promote the rights and interests of
30 managed care consumers.
31
32 2. (New section) As used in this act:
33 "Carrier" means a carrier as defined in section 2 of P.L.1997, c.192
34 (C.26:2S-2).
35 "Commissioner" means the Commissioner of Health and Senior
36 Services.
37 "Department" means the Department of Health and Senior Services.
38 "Managed care plan" means a managed care plan as defined in
39 section 2 of P.L.1997, c.192 (C.26:2S-2).
40 "Medicaid" means the Medicaid program established pursuant to
41 P.L.1968, c.413 (C.30:4D-1 et seq.).
42 "Medicare" means the federal Medicare program established

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

Matter underlined thus is new matter.
Matter enclosed in superscript numerals has been adopted as follows:
[1] Assembly AHL committee amendments adopted June 19, 2000.

1 pursuant to the federal Social Security Act, Pub.L.89-97 (42 U.S.C.
2 s.1395 et seq.).
3 "Program" means the Managed Health Care Consumer Assistance
4 Program established pursuant to this act.
5
6 3. (New section) a. There is established the Managed Health Care
7 Consumer Assistance Program in the Department of Health and Senior
8 Services. The commissioner shall select two independent, private
9 nonprofit consumer advocacy organizations, which shall be the
10 Community Health Law Project and New Jersey Protection and
11 Advocacy, Inc., with each of which the commissioner shall contract to
12 operate the program in the northern and southern regions of the State,
13 respectively.
14 b. The program shall:
15 (1) create and provide educational materials and training to
16 consumers regarding their rights and responsibilities as enrollees in
17 managed care plans, including materials and training specific to the
18 Medicaid and Medicare programs, respectively, and to commercial
19 managed care plans;
20 (2) assist individual enrollees with various complaint, grievance
21 and appeal processes, including representation in State fair hearings;
22 (3) provide support to, and coordination with, other patient
23 advocacy groups, including legal services programs;
24 (4) maintain a toll-free telephone number for consumers to call for
25 information and assistance. The number shall be accessible to the deaf
26 and hard of hearing, and staff or translation services shall be available
27 to assist non-English proficient individuals who are members of
28 language groups that meet population thresholds established by the
29 department;
30 (5) advocate for policies and programs that protect consumer
31 interests and rights under managed care plans and identify, investigate,
32 publicize and promote the removal of barriers, by way of practices,
33 policies, laws, or regulations, to individuals' access to quality health
34 care;
35 (6) ensure that individuals have timely access to the services of,
36 and receive timely responses from, the program; and
37 (7) provide feedback to managed care plans, beneficiary advisory
38 groups and employers regarding enrollees' concerns and problems.
39 c. In order to meet its objectives, the program shall have access to:
40 (1) the medical and other records of an individual enrollee
41 maintained by a managed care plan, upon the [1]specific[1] written
42 authorization of the enrollee or his legal representative;

(2) the administrative records, policies, and documents of managed care plans to which individuals or the general public have access; and

(3) all licensing, certification, and data reporting records maintained by the State or reported to the federal government by the State [1]that are not proprietary information or otherwise protected by law[1], with copies thereof to be supplied to the program by the State upon the request of the program.

d. The program shall take such actions as are necessary to protect the identity and confidentiality of any complainant or other individual with respect to whom the program maintains files or records.

e. The program shall seek to complement, and to coordinate its activities with, other consumer advocacy organizations, legal assistance providers serving low-income and other vulnerable health care consumers, other managed care assistance and health insurance counseling assistance programs, and relevant State agencies.

4. (New section) The commissioner shall report to the Governor and the Legislature, no later than 18 months after the effective date of this act and annually thereafter, on the activities of the program and its effectiveness in meeting its objectives, including an evaluation of consumer problems, concerns and complaints, and shall accompany that report with any recommendations that the commissioner deems appropriate, including, but not limited to, any recommendation for an adjustment in the amount appropriated to the department to fund the program pursuant to subsection b. of section 6 of this act.

5. (New section) An employee, volunteer, board member or other representative of an organization selected by the commissioner pursuant to section 3 of this act shall be immune from liability for any action taken in the good faith performance of their official duties in connection with the program.

6. (New section) a. There is appropriated $800,000 to the department from the General Fund to provide funding for the program, except that funds may be appropriated, in lieu of part or all of the amount appropriated from the General Fund, from the monies made available to the State from tobacco companies under the nationwide settlement of the respective actions by state governments against those companies. Of the amount appropriated pursuant to this subsection, at least $380,000 shall be allocated to each of the organizations selected by the commissioner pursuant to section 3 of this act.

b. In fiscal year [1][2001] 2002[1] and each fiscal year thereafter, the Governor shall recommend and the Legislature shall appropriate to the department to fund the program, $800,000 from the General Fund, or as otherwise provided in subsection a. of this section, of which sum at least $380,000 shall be allocated to each of the organizations selected

1 by the commissioner pursuant to section 3 of this act.
2 c. Of the amounts appropriated pursuant to subsections a. and b.
3 of this subsection, up to 5% may be expended by the department for
4 administrative purposes associated with the program.
5 d. (1) The commissioner shall establish a sliding fee scale, based
6 upon household income, for legal and non-legal advocacy services
7 provided by the program which assist persons in pursuing grievances
8 and appeals related to managed care plans.
9 (2) Revenues received by the department pursuant to paragraph (1)
10 of this subsection shall be deposited into a special nonlapsing fund
11 which the commissioner shall create in the department for the purpose
12 of providing funding for the program, and these revenues and the
13 interest earned therefrom shall be utilized to fund the program in
14 addition to the amount appropriated pursuant to subsection b. of this
15 section.
16
17 7. Section 5 of P.L.1997, c.192 (C.26:2S-5) is amended to read
18 as follows:
19 5. a. In addition to the disclosure requirements provided in section
20 4 of this act, a carrier which offers a managed care plan shall disclose
21 to a subscriber, in writing, in a manner consistent with the "Life and
22 Health Insurance Policy Language Simplification Act," P.L.1979,
23 c.167 (C.17B:17-17 et seq.), the following information at the time of
24 enrollment and annually thereafter:
25 (1) A current participating provider directory providing
26 information on a covered person's access to primary care physicians
27 and specialists, including the number of available participating
28 physicians, by provider category or specialty and by county. The
29 directory shall include the professional office address of a primary care
30 physician and any hospital affiliation the primary care physician has.
31 The directory shall also provide information about participating
32 hospitals.
33 The carrier shall promptly notify each covered person prior to the
34 termination or withdrawal from the carrier's provider network of the
35 covered person's primary care physician;
36 (2) General information about the financial incentives between
37 participating physicians under contract with the carrier and other
38 participating health care providers and facilities to which the
39 participating physicians refer their managed care patients;
40 (3) The percentage of the carrier's managed care plan's network
41 physicians who are board certified;
42 (4) The carrier's managed care plan's standard for customary
43 waiting times for appointments for urgent and routine care; and
44 (5) The availability through the department, upon request of a
45 member of the general public, of independent consumer satisfaction
46 survey results and an analysis of quality outcomes of health care

1 services of managed care plans in the State; and
2 (6) Information about the Managed Health Care Consumer
3 Assistance Program established pursuant to P.L , c. (C.)
4 (pending before the Legislature as this bill) as prescribed by regulation
5 of the commissioner, including the toll-free telephone number available
6 to contact the program.
7 The carrier shall provide a prospective subscriber with information
8 about the provider network, including hospital affiliations, and other
9 information specified in this subsection, upon request.
10 b. Upon request of a covered person, a carrier shall promptly
11 inform the person:
12 (1) whether a particular network physician is board certified; and
13 (2) whether a particular network physician is currently accepting
14 new patients.
15 c. The carrier shall file the information required pursuant to this
16 section with the department.
17 (cf: P.L.1997, c.192, s.5)
18
19 8. The Commissioner of Health and Senior Services, pursuant to
20 the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
21 seq.), shall adopt rules and regulations to effectuate the purposes of
22 this act.
23
24 9. This act shall take effect on July 1, [1][1999] 2000[1] or
25 immediately, whichever is later.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]
ASSEMBLY, No. 1088

STATE OF NEW JERSEY

DATED: JUNE 22, 2000

The Assembly Appropriations Committee reports favorably Assembly Bill No. 1088 (1R).

Assembly Bill No. 1088 (1R) establishes a Managed Health Care Consumer Assistance Program in the Department of Health and Senior Services (DHSS).

This program, through training, counseling and representation, will be designed to prepare, educate and assist health care consumers about their rights in a managed health care system. The bill directs the Commissioner of Health and Senior Services to contract with two independent, private nonprofit consumer advocacy organizations, the Community Health Law Project and New Jersey Protection and Advocacy, Inc., to operate the program in the northern and southern regions of the State, respectively.

Program activities. The bill requires the program to:

(1) create and provide educational materials and training to consumers regarding their rights and responsibilities as enrollees in managed care plans, including materials and training specific to the Medicaid and Medicare programs and to commercial managed care plans;

(2) assist individual enrollees with various complaint, grievance and appeal processes, including representation in State fair hearings;

(3) provide support to, and coordination with, other patient advocacy groups, including legal services programs;

(4) maintain a toll-free telephone number for consumers to call for information and assistance;

(5) advocate for policies and programs that protect consumer interests and rights under managed care plans and identify, investigate, publicize and promote the removal of barriers, by way of practices, policies, laws, or regulations, to individuals' access to quality health care;

(6) ensure that individuals have timely access to the services of, and receive timely responses from, the program; and

(7) provide feedback to managed care plans, beneficiary advisory groups and employers regarding enrollees' concerns and problems.

It is the understanding of the committee that the advocacy for

policies and programs that protect consumer interests and rights under managed care plans will take the form of the dissemination of information about exemplary practices.

Records access and security. The bill stipulates that the program shall have access to (a) the medical and other records of an individual enrollee maintained by a managed care plan, upon the specific written authorization of the enrollee or his legal representative, (b) the administrative records, policies, and documents of managed care plans to which individuals or the general public have access, and (c) all licensing, certification, and data reporting records maintained by the State or reported to the federal government by the State that are not proprietary information or otherwise protected by law, with copies of those records to be supplied to the program by the State at the request of the program. The bill requires the program to take such actions as are necessary to protect the identity and confidentiality of any complainant or other individual with respect to whom the program maintains files or records.

Other provisions. *Immunity* -- The bill provides immunity from liability to employees, volunteers, board members or other representatives of an organization designated to operate the program for any action taken in the good faith performance of their official duties in connection with the program.

Notice of program availability -- The bill revises the statutory annual disclosure statement that insurers offering managed care plans must provide to enrollees to include information about the program, including the program's toll-free telephone number.

Reports -- The bill requires the Commissioner of Health and Senior Services to report to the Governor and the Legislature, within 18 months after the bill takes effect as law and annually thereafter, on the program's activities and its effectiveness in meeting its objectives.

FISCAL IMPACT

The bill appropriates to DHSS from the General Fund, or from the monies received by the State under the nationwide tobacco settlement, the sum of $800,000 to fund the program, of which amount at least $380,000 shall be allocated to each of the organizations designated to operate the program, with a maximum of 5% to be allocated for the administrative expenses of DHSS associated with the program. The bill includes a provision directing the appropriation of like amounts to fund the program in future fiscal years.

STATEMENT TO

[First Reprint]

ASSEMBLY, No. 1088

with Assembly Floor Amendments
(Proposed By Assemblyman CARABALLO)

ADOPTED: NOVEMBER 20, 2000

These amendments:

(1) provide that the Commissioner of Health and Senior Services, in consultation with the Commissioners of Human Services and Banking and Insurance, shall make agreements to operate the Managed Health Care Consumer Assistance Program in all regions of the State, rather than contract with the Community Health Law Project and New Jersey Protection and Advocacy, Inc. to operate the program in the northern and southern regions of the State, as the bill originally required. The amendments provide, however, that the commissioner shall contract with these two organizations on an interim basis to operate the program for the first year until the commissioner is able to develop the program;

(2) expand the activities of the program to include:

-educating individual enrollees about the functions of the State and federal agencies that regulate managed care products; assisting and educating enrollees about the various complaint, grievance and appeal processes; providing assistance to individuals in determining which process is most appropriate for the individual to pursue; maintaining and providing to individual enrollees the forms that may be necessary to submit a complaint, grievance or appeal with government agencies; and providing assistance to individual enrollees in completion of the forms;

- maintaining and providing information to individuals upon request about advocacy groups, including legal services programs that may be available to assist individuals, as well as maintaining lists of State and Congressional representatives and the means by which to contact representatives, for distribution upon request;

- providing nonpartisan information about federal and State activities relative to managed care, and providing assistance to individuals in obtaining copies of pending legislation, statutes and regulations; and

- developing and maintaining a data base monitoring the degree of each type of service provided by the program to individual enrollees, the types of concerns and complaints brought to the program and the entities about which complaints and concerns are brought;

(3) delete the activities of the program related to providing representation in State fair hearings, providing support to other patient

advocacy groups, advocating for policies and programs that protect consumer interests and rights and providing feedback to managed care plans and others regarding enrollees' concerns and problems;

(4) clarify that any medical or personally identifiable information received by the program is confidential and not subject to public access, inspection or copying;

(5) clarify that the program shall coordinate, rather than compliment and coordinate (as the bill originally provided), its activities with other public and private agencies to assure that the program's information is current and accurate;

(6) delete language specifying that in the commissioner's annual report on the program, the commissioner shall include any recommendation for an adjustment in the amount appropriated for the program;

(7) reduce the appropriation from $800,000 to $500,000 and delete language specifying how the appropriation shall be allocated; and

(8) delete language directing the commissioner to establish a sliding fee scale for legal and non-legal advocacy services provided by the program, and provide instead that the program may charge fees for the provision of materials to the public, and for training and education services that may be provided to for-profit organizations and the distribution of statistical information that may be developed by the program to nongovernmental agencies.

[Second Reprint]

ASSEMBLY, No. 1088

STATE OF NEW JERSEY

209th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2000 SESSION

Sponsored by:
Assemblyman WILFREDO CARABALLO
District 28 (Essex)
Assemblyman PAUL DIGAETANO
District 36 (Bergen, Essex and Passaic)

Co-Sponsored by:
Assemblymen Jones, B.Smith, Payne, Stanley, Arnone, Assemblywoman Vandervalk, Assemblyman LeFevre, Assemblywoman Watson Coleman, Assemblyman Conaway, Assemblywomen Cruz-Perez, Greenstein, Assemblymen Guear, Gusciora, Assemblywoman Weinberg, Senators Matheussen, Sinagra, Adler, Rice and Inverso

SYNOPSIS
Establishes Managed Health Care Consumer Assistance Program; appropriates $500,000.

CURRENT VERSION OF TEXT
As amended by the General Assembly on November 20, 2000.

(Sponsorship Updated As Of: 12/19/2000)

AN ACT establishing a Managed Health Care Consumer Assistance Program, amending and supplementing P.L.1997, c.192, and making an appropriation therefor.

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

1. (New section) The Legislature finds and declares that:

a. Managed health care, regardless of the form it takes, is now [2]**[**the primary**]** a major[2] vehicle for the delivery of health care in this nation; and the rapid transition to managed health care has left consumers confused and concerned about how it affects them and how to navigate the managed health care system;

b. Despite the clear promises of reduced costs, quality service and comprehensive care made by managed care plans, many consumers are uncertain about how to obtain appropriate care and inhibited in their efforts to do so. They often lack necessary information about the benefits and referral requirements of specific plans and have no access to resources which might assist them to obtain quality care on a timely basis;

c. Consumers need help understanding their rights and responsibilities and how to access care and assert their rights in a complex managed care environment; and

d. It is, therefore, in the public interest to establish a program to provide consumers with the information and assistance they need to access the high-quality, cost-effective health care available from managed care plans [2]**[**and to monitor the performance of the managed care system in this State in order to ensure that systemic problems are corrected as necessary**]**[2] and to promote the rights and interests of managed care consumers.

2. (New section) As used in this act:

"Carrier" means a carrier as defined in section 2 of P.L.1997, c.192 (C.26:2S-2).

"Commissioner" means the Commissioner of Health and Senior Services.

"Department" means the Department of Health and Senior Services.

"Managed care plan" means a managed care plan as defined in section 2 of P.L.1997, c.192 (C.26:2S-2).

"Medicaid" means the Medicaid program established pursuant to P.L.1968, c.413 (C.30:4D-1 et seq.).

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

Matter underlined thus is new matter.
Matter enclosed in superscript numerals has been adopted as follows:
[1] Assembly AHL committee amendments adopted June 19, 2000.
[2] Assembly floor amendments adopted November 20, 2000.

1 "Medicare" means the federal Medicare program established
2 pursuant to the federal Social Security Act, Pub.L.89-97 (42 U.S.C.
3 s.1395 et seq.).
4 [2]"NJ FamilyCare" means the FamilyCare Health Coverage Program
5 established pursuant to P.L.2000, c.71 (C.30:4J-1 et seq.).[2]
6 "Program" means the Managed Health Care Consumer Assistance
7 Program established pursuant to this act.
8
9 3. (New section) a. There is established the Managed Health Care
10 Consumer Assistance Program in the Department of Health and Senior
11 Services. The commissioner shall [2]**[**select two independent, private
12 nonprofit consumer advocacy organizations, which shall be the
13 Community Health Law Project and New Jersey Protection and
14 Advocacy, Inc., with each of which the commissioner shall
15 contract**]** make agreements[2] to operate the program[2]**[** in the northern
16 and southern**]** as necessary, in consultation with the Commissioner of
17 Human Services and the Commissioner of Banking and Insurance, to
18 assure that citizens have reasonable access to services in all[2] regions
19 of the State[2]**[**, respectively**]**[2].
20 b. The program shall:
21 (1) create and provide educational materials and training to
22 consumers regarding their rights and responsibilities as enrollees in
23 managed care plans, including materials and training specific to
24 [2]**[**the**]**[2] Medicaid [2]**[**and**]**, NJ FamilyCare,[2] Medicare [2]**[**programs,
25 respectively,**]**[2] and [2]**[**to**]**[2] commercial managed care plans;
26 (2) assist [2]and educate[2] individual enrollees [2]**[**with**]** about the
27 functions of the State and federal agencies that regulate managed care
28 products, assist and educate enrollees about the[2] various complaint,
29 grievance and appeal processes, including [2]**[**representation in**]**[2] State
30 fair hearings[2], provide assistance to individuals in determining which
31 process is most appropriate for the individual to pursue when
32 necessary, maintain and provide to individual enrollees the forms that
33 may be necessary to submit a complaint, grievance or appeal with the
34 State or federal agencies, and provide assistance to individual enrollees
35 in completion of the forms, if necessary[2];
36 (3) [2]**[**provide support to, and coordination with, other
37 patient**]** maintain and provide information to individuals upon request
38 about[2] advocacy groups, including legal services programs [2]Statewide
39 and in each county that may be available to assist individuals, and
40 maintain lists of State and Congressional representatives and the
41 means by which to contact representatives, for distribution upon
42 request[2];
43 (4) maintain a toll-free telephone number for consumers to call for
44 information and assistance. The number shall be accessible to the deaf
45 and hard of hearing, and staff or translation services shall be available

1 to assist non-English proficient individuals who are members of
2 language groups that meet population thresholds established by the
3 department;
4 (5) [2][advocate for policies and programs that protect consumer
5 interests and rights under managed care plans and identify, investigate,
6 publicize and promote the removal of barriers, by way of practices,
7 policies, laws, or regulations, to individuals' access to quality health
8 care;
9 (6)][2] ensure that individuals have timely access to the services of,
10 and receive timely responses from, the program; [2][and
11 (7)](6)[2] provide feedback to managed care plans, beneficiary
12 advisory groups and employers regarding enrollees' concerns and
13 problems[2];
14 (7) provide nonpartisan information about federal and State
15 activities relative to managed care, and provide assistance to
16 individuals in obtaining copies of pending legislation, statutes and
17 regulations; and
18 (8) develop and maintain a data base monitoring the degree of each
19 type of service provided by the program to individual enrollees, the
20 types of concerns and complaints brought to the program and the
21 entities about which complaints and concerns are brought[2].
22 c. In order to meet its objectives, the program shall have access to:
23 (1) the medical and other records of an individual enrollee
24 maintained by a managed care plan, upon the [1]specific[1] written
25 authorization of the enrollee or his legal representative;
26 (2) the administrative records, policies, and documents of managed
27 care plans to which individuals or the general public have access; and
28 (3) all licensing, certification, and data reporting records maintained
29 by the State or reported to the federal government by the State [1]that
30 are not proprietary information or otherwise protected by law[1], with
31 copies thereof to be supplied to the program by the State upon the
32 request of the program.
33 d. The program shall take such actions as are necessary to protect
34 the identity and confidentiality of any complainant or other individual
35 with respect to whom the program maintains files or records. [2]Any
36 medical or personally identifying information received or in the
37 possession of the program shall be considered confidential and shall be
38 used only by the department, the program and such other agencies as
39 the commissioner designates and shall not be subject to public access,
40 inspection or copying under P.L.1963, c.73 (C.47:1A-1 et seq.) or the
41 common law concerning access to public records. This subsection
42 shall not be construed to limit the ability of the program to compile
43 and report non-identifying data pursuant to paragraph (8) of
44 subsection b. of this section.[2]
45 e. The program shall seek to [2][complement, and to][2] coordinate
46 its activities with[2][, other][2] consumer advocacy organizations, legal

1 assistance providers serving low-income and other vulnerable health
2 care consumers, [2][other][2] managed care [2][assistance] [2]and health
3 insurance counseling assistance programs, and relevant [2]federal and[2]
4 State agencies [2]to assure that the information and assistance provided
5 by the program are current and accurate[2].
6 [2]f. Until such time as the program is developed, the commissioner
7 shall make agreements with two independent, private nonprofit
8 consumer advocacy organizations, which shall be the Community
9 Health Law Project and New Jersey Protection and Advocacy, Inc. to
10 operate the program on an interim basis. The interim program shall be
11 in effect for one year from the effective date of this act. Any
12 appropriation in this act for the program may be allocated for the
13 interim program.[2]
14
15 4. (New section) The commissioner shall report to the Governor
16 and the Legislature, no later than 18 months after the effective date of
17 this act and annually thereafter, on the [2]data collected by the program,
18 the[2] activities of the program and its effectiveness in meeting its
19 objectives, including an evaluation of consumer problems, concerns
20 and complaints, and shall accompany that report with any
21 recommendations that the commissioner deems appropriate[2][,
22 including, but not limited to, any recommendation for an adjustment
23 in the amount appropriated to the department to fund the program
24 pursuant to subsection b. of section 6 of this act][2].
25
26 5. (New section) An employee, volunteer, board member or other
27 representative of an organization selected by the commissioner
28 pursuant to section 3 of this act shall be immune from liability for any
29 action taken in the good faith performance of their official duties in
30 connection with the program.
31
32 6. (New section) a. There is appropriated [2][$800,000] $500,000[2]
33 to the department from the General Fund to provide funding for the
34 program, except that funds may be appropriated, in lieu of part or all
35 of the amount appropriated from the General Fund, from the monies
36 made available to the State from tobacco companies under the
37 nationwide settlement of the respective actions by state governments
38 against those companies. [2][Of the amount appropriated pursuant to
39 this subsection, at least $380,000 shall be allocated to each of the
40 organizations selected by the commissioner pursuant to section 3 of
41 this act.][2]
42 b. [2][In fiscal year [1][2001] 2002[1] and each fiscal year thereafter,
43 the Governor shall recommend and the Legislature shall appropriate
44 to the department to fund the program, $800,000 from the General
45 Fund, or as otherwise provided in subsection a. of this section, of
46 which sum at least $380,000 shall be allocated to each of the

1 organizations selected by the commissioner pursuant to section 3 of
2 this act.
3 c. Of the amounts appropriated pursuant to subsections a. and b.
4 of this subsection, up to 5% may be expended by the department for
5 administrative purposes associated with the program.
6 d.][2] (1) [2][The commissioner shall establish a sliding fee scale,
7 based upon household income, for legal and non-legal advocacy
8 services provided by the program which assist persons in pursuing
9 grievances and appeals related to managed care plans.] The program
10 may charge fees for the provision of materials to the public consistent
11 with P.L.1963, c.73 (C.47:1A-1 et seq.). The commissioner may
12 establish a separate fee schedule for training and education services
13 that may be provided by the program to for-profit organizations, and
14 for the distribution to nongovernmental entities of statistical
15 information that may be developed by the program.[2]
16 (2) Revenues received by the department pursuant to paragraph (1)
17 of this subsection shall be deposited into a special nonlapsing fund
18 which the commissioner shall create in the department for the purpose
19 of providing funding for the program, and these revenues and the
20 interest earned therefrom shall be utilized to fund the program in
21 addition to the amount appropriated pursuant to subsection b. of this
22 section.
23
24 7. Section 5 of P.L.1997, c.192 (C.26:2S-5) is amended to read
25 as follows:
26 5. a. In addition to the disclosure requirements provided in section
27 4 of this act, a carrier which offers a managed care plan shall disclose
28 to a subscriber, in writing, in a manner consistent with the "Life and
29 Health Insurance Policy Language Simplification Act," P.L.1979,
30 c.167 (C.17B:17-17 et seq.), the following information at the time of
31 enrollment and annually thereafter:
32 (1) A current participating provider directory providing
33 information on a covered person's access to primary care physicians
34 and specialists, including the number of available participating
35 physicians, by provider category or specialty and by county. The
36 directory shall include the professional office address of a primary care
37 physician and any hospital affiliation the primary care physician has.
38 The directory shall also provide information about participating
39 hospitals.
40 The carrier shall promptly notify each covered person prior to the
41 termination or withdrawal from the carrier's provider network of the
42 covered person's primary care physician;
43 (2) General information about the financial incentives between
44 participating physicians under contract with the carrier and other
45 participating health care providers and facilities to which the
46 participating physicians refer their managed care patients;

(3) The percentage of the carrier's managed care plan's network physicians who are board certified;

(4) The carrier's managed care plan's standard for customary waiting times for appointments for urgent and routine care; and

(5) The availability through the department, upon request of a member of the general public, of independent consumer satisfaction survey results and an analysis of quality outcomes of health care services of managed care plans in the State; and

(6) Information about the Managed Health Care Consumer Assistance Program established pursuant to P.L , c. (C.) (pending before the Legislature as this bill) as prescribed by regulation of the commissioner, including the toll-free telephone number available to contact the program.

The carrier shall provide a prospective subscriber with information about the provider network, including hospital affiliations, and other information specified in this subsection, upon request.

b. Upon request of a covered person, a carrier shall promptly inform the person:

(1) whether a particular network physician is board certified; and

(2) whether a particular network physician is currently accepting new patients.

c. The carrier shall file the information required pursuant to this section with the department.

(cf: P.L.1997, c.192, s.5)

8. The Commissioner of Health and Senior Services, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), shall adopt rules and regulations to effectuate the purposes of this act.

9. This act shall take effect on July 1, [1][1999] 2000[1] or immediately, whichever is later.

SENATE, No. 637

STATE OF NEW JERSEY

209th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2000 SESSION

Sponsored by:
Senator JOHN J. MATHEUSSEN
District 4 (Camden and Gloucester)
Senator JACK SINAGRA
District 18 (Middlesex)

SYNOPSIS

Establishes Managed Health Care Consumer Assistance Program; appropriates $800,000.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.

1 **AN ACT** establishing a Managed Health Care Consumer Assistance
2 Program, amending and supplementing P.L.1997, c.192, and
3 making an appropriation therefor.
4
5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
6 *of New Jersey:*
7
8 1. (New section) The Legislature finds and declares that:
9 a. Managed health care, regardless of the form it takes, is now the
10 primary vehicle for the delivery of health care in this nation; and the
11 rapid transition to managed health care has left consumers confused
12 and concerned about how it affects them and how to navigate the
13 managed health care system;
14 b. Despite the clear promises of reduced costs, quality service and
15 comprehensive care made by managed care plans, many consumers are
16 uncertain about how to obtain appropriate care and inhibited in their
17 efforts to do so. They often lack necessary information about the
18 benefits and referral requirements of specific plans and have no access
19 to resources which might assist them to obtain quality care on a timely
20 basis;
21 c. Consumers need help understanding their rights and
22 responsibilities and how to access care and assert their rights in a
23 complex managed care environment; and
24 d. It is, therefore, in the public interest to establish a program to
25 provide consumers with the information and assistance they need to
26 access the high-quality, cost-effective health care available from
27 managed care plans and to monitor the performance of the managed
28 care system in this State in order to ensure that systemic problems are
29 corrected as necessary and to promote the rights and interests of
30 managed care consumers.
31
32 2. (New section) As used in this act:
33 "Advisory council" means the Managed Health Care Consumer
34 Assistance Program Advisory Council established pursuant to this act.
35 "Carrier" means a carrier as defined in section 2 of P.L.1997, c.192
36 (C.26:2S-2).
37 "Commissioner" means the Commissioner of Health and Senior
38 Services.
39 "Department" means the Department of Health and Senior Services.
40 "Managed care plan" means a managed care plan as defined in
41 section 2 of P.L.1997, c.192 (C.26:2S-2).
42 "Medicaid" means the Medicaid program established pursuant to
43 P.L.1968, c.413 (C.30:4D-1 et seq.).

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

Matter underlined thus is new matter.

1 "Medicare" means the federal Medicare program established
2 pursuant to the federal Social Security Act, Pub.L.89-97 (42 U.S.C.
3 s.1395 et seq.).
4 "Program" means the Managed Health Care Consumer Assistance
5 Program established pursuant to this act.
6
7 3. (New section) a. There is established the Managed Health Care
8 Consumer Assistance Program in the Department of Health and Senior
9 Services. The commissioner shall select two independent, private
10 nonprofit consumer advocacy organizations, which shall be the
11 Community Health Law Project and New Jersey Protection and
12 Advocacy, Inc., with each of which the commissioner shall contract to
13 operate the program in the northern and southern regions of the State,
14 respectively.
15 b. The program shall:
16 (1) create and provide educational materials and training to
17 consumers regarding their rights and responsibilities as enrollees in
18 managed care plans, including materials and training specific to the
19 Medicaid and Medicare programs, respectively, and to commercial
20 managed care plans;
21 (2) assist individual enrollees with various complaint, grievance
22 and appeal processes, including representation in State fair hearings;
23 (3) provide support to, and coordination with, other patient
24 advocacy groups, including legal services programs;
25 (4) maintain a toll-free telephone number for consumers to call for
26 information and assistance. The number shall be accessible to the deaf
27 and hard of hearing, and staff or translation services shall be available
28 to assist non-English proficient individuals who are members of
29 language groups that meet population thresholds established by the
30 department;
31 (5) advocate for policies and programs that protect consumer
32 interests and rights under managed care plans and identify, investigate,
33 publicize and promote the removal of barriers, by way of practices,
34 policies, laws, or regulations, to individuals' access to quality health
35 care;
36 (6) ensure that individuals have timely access to the services of,
37 and receive timely responses from, the program; and
38 (7) provide feedback to managed care plans, beneficiary advisory
39 groups and employers regarding enrollees' concerns and problems.
40 c. In order to meet its objectives, the program shall have access to:
41 (1) the medical and other records of an individual enrollee
42 maintained by a managed care plan, upon the written authorization of
43 the enrollee or his legal representative;
44 (2) the administrative records, policies, and documents of managed
45 care plans to which individuals or the general public have access; and
46 (3) all licensing, certification, and data reporting records maintained

1 by the State or reported to the federal government by the State, with
2 copies thereof to be supplied to the program by the State upon the
3 request of the program.
4 d. The program shall take such actions as are necessary to protect
5 the identity and confidentiality of any complainant or other individual
6 with respect to whom the program maintains files or records.
7 e. The program shall seek to complement, and to coordinate its
8 activities with, other consumer advocacy organizations, legal
9 assistance providers serving low-income and other vulnerable health
10 care consumers, other managed care assistance and health insurance
11 counseling assistance programs, and relevant State agencies.
12
13 4. (New section) The commissioner shall report to the Governor
14 and the Legislature, no later than 18 months after the effective date of
15 this act and annually thereafter, on the activities of the program and its
16 effectiveness in meeting its objectives, including an evaluation of
17 consumer problems, concerns and complaints, and shall accompany
18 that report with any recommendations that the commissioner deems
19 appropriate, including, but not limited to, any recommendation for an
20 adjustment in the amount appropriated to the department to fund the
21 program pursuant to subsection b. of section 6 of this act.
22
23 5. (New section) An employee, volunteer, board member or other
24 representative of an organization selected by the commissioner
25 pursuant to section 3 of this act or a member of the advisory council
26 shall be immune from liability for any action taken in the good faith
27 performance of their official duties in connection with the program.
28
29 6. (New section) a. There is appropriated $800,000 to the
30 department from the General Fund to provide funding for the program,
31 except that funds may be appropriated, in lieu of part or all of the
32 amount appropriated from the General Fund, from the monies made
33 available to the State from tobacco companies under the nationwide
34 settlement of the respective actions by state governments against those
35 companies, entered into by the State in the Master Settlement
36 Agreement in State of New Jersey *v.* R.J. Reynolds Tobacco
37 Company, et al., Superior Court, Chancery Division, Middlesex
38 County, No. C-254-96. Of the amount appropriated pursuant to this
39 subsection, at least $380,000 shall be allocated to each of the
40 organizations selected by the commissioner pursuant to section 3 of
41 this act.
42 b. In fiscal year 2001 and each fiscal year thereafter, the Governor
43 shall recommend and the Legislature shall appropriate to the
44 department to fund the program, $800,000 from the General Fund, or
45 as otherwise provided in subsection a. of this section, of which sum at
46 least $380,000 shall be allocated to each of the organizations selected

1 by the commissioner pursuant to section 3 of this act.
2 c. Of the amounts appropriated pursuant to subsections a. and b.
3 of this subsection, up to 5% may be expended by the department for
4 administrative purposes associated with the program.
5 d. (1) The commissioner shall establish a sliding fee scale, based
6 upon household income, for legal and non-legal advocacy services
7 provided by the program which assist persons in pursuing grievances
8 and appeals related to managed care plans.
9 (2) Revenues received by the department pursuant to paragraph (1)
10 of this subsection shall be deposited into a special nonlapsing fund
11 which the commissioner shall create in the department for the purpose
12 of providing funding for the program, and these revenues and the
13 interest earned therefrom shall be utilized to fund the program in
14 addition to the amount appropriated pursuant to subsection b. of this
15 section.
16
17 7. Section 5 of P.L.1997, c.192 (C.26:2S-5) is amended to read
18 as follows:
19 5. a. In addition to the disclosure requirements provided in section
20 4 of this act, a carrier which offers a managed care plan shall disclose
21 to a subscriber, in writing, in a manner consistent with the "Life and
22 Health Insurance Policy Language Simplification Act," P.L.1979,
23 c.167 (C.17B:17-17 et seq.), the following information at the time of
24 enrollment and annually thereafter:
25 (1) A current participating provider directory providing
26 information on a covered person's access to primary care physicians
27 and specialists, including the number of available participating
28 physicians, by provider category or specialty and by county. The
29 directory shall include the professional office address of a primary care
30 physician and any hospital affiliation the primary care physician has.
31 The directory shall also provide information about participating
32 hospitals.
33 The carrier shall promptly notify each covered person prior to the
34 termination or withdrawal from the carrier's provider network of the
35 covered person's primary care physician;
36 (2) General information about the financial incentives between
37 participating physicians under contract with the carrier and other
38 participating health care providers and facilities to which the
39 participating physicians refer their managed care patients;
40 (3) The percentage of the carrier's managed care plan's network
41 physicians who are board certified;
42 (4) The carrier's managed care plan's standard for customary
43 waiting times for appointments for urgent and routine care; and
44 (5) The availability through the department, upon request of a
45 member of the general public, of independent consumer satisfaction
46 survey results and an analysis of quality outcomes of health care

1 services of managed care plans in the State; and
2 (6) Information about the Managed Health Care Consumer
3 Assistance Program established pursuant to P.L , c. (C.)
4 (pending before the Legislature as this bill) as prescribed by regulation
5 of the commissioner, including the toll-free telephone number available
6 to contact the program.
7 The carrier shall provide a prospective subscriber with information
8 about the provider network, including hospital affiliations, and other
9 information specified in this subsection, upon request.
10 b. Upon request of a covered person, a carrier shall promptly
11 inform the person:
12 (1) whether a particular network physician is board certified; and
13 (2) whether a particular network physician is currently accepting
14 new patients.
15 c. The carrier shall file the information required pursuant to this
16 section with the department.
17 (cf: P.L.1997, c.192, s.5)
18
19 8. The Commissioner of Health and Senior Services, pursuant to
20 the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
21 seq.), shall adopt rules and regulations to effectuate the purposes of
22 this act.
23
24 9. This act shall take effect on July 1, 2000 or immediately,
25 whichever is later.
26
27
28 STATEMENT
29
30 This bill establishes a Managed Health Care Consumer Assistance
31 Program in the Department of Health and Senior Services (DHSS) and
32 directs the Commissioner of Health and Senior Services to contract
33 with two independent, private nonprofit consumer advocacy
34 organizations, the Community Health Law Project and New Jersey
35 Protection and Advocacy, Inc., to operate the program in the northern
36 and southern regions of the State, respectively. This program, through
37 training, counseling and representation, will be designed to prepare,
38 educate and assist health care consumers about their rights in a
39 managed health care system, particularly those who have chronic
40 disabilities or are senior citizens.
41 Specifically, the bill:
42 C requires the program to:
43 (1) create and provide educational materials and training to
44 consumers regarding their rights and responsibilities as enrollees in
45 managed care plans, including materials and training specific to the
46 Medicaid and Medicare programs, respectively, and to commercial

1 managed care plans;
2 (2) assist individual enrollees with various complaint, grievance
3 and appeal processes, including representation in State fair hearings;
4 (3) provide support to, and coordination with, other patient
5 advocacy groups, including legal services programs;
6 (4) maintain a toll-free telephone number for consumers to call for
7 information and assistance;
8 (5) advocate for policies and programs that protect consumer
9 interests and rights under managed care plans and identify, investigate,
10 publicize and promote the removal of barriers, by way of practices,
11 policies, laws, or regulations, to individuals' access to quality health
12 care;
13 (6) ensure that individuals have timely access to the services of,
14 and receive timely responses from, the program; and
15 (7) provide feedback to managed care plans, beneficiary advisory
16 groups and employers regarding enrollees' concerns and problems;
17 C stipulates that the program shall have access to:
18 -- the medical and other records of an individual enrollee
19 maintained by a managed care plan, upon the written authorization of
20 the enrollee or his legal representative;
21 -- all licensing, certification, and data reporting records maintained
22 by the State or reported to the federal government by the State, with
23 copies thereof to be supplied to the program by the State upon the
24 request of the program; and
25 -- the administrative records, policies, and documents of managed
26 care plans to which individuals or the general public have access;
27 C requires the program to take such actions as are necessary to
28 protect the identity and confidentiality of any complainant or other
29 individual with respect to whom the program maintains files or
30 records;
31 C provides that the program shall seek to complement, and to
32 coordinate its activities with, other consumer advocacy
33 organizations, legal assistance providers serving low-income and
34 other vulnerable health care consumers, other managed care
35 assistance and health insurance counseling assistance programs, and
36 relevant State agencies;
37 C requires the Commissioner of Health and Senior Services to report
38 to the Governor and the Legislature, no later than 18 months after
39 the effective date of the bill and annually thereafter, on the activities
40 of the program and its effectiveness in meeting its objectives;
41 C requires insurers which offer managed care plans to provide
42 information about the program to their enrollees at the time of
43 enrollment and annually thereafter as prescribed by regulation of the
44 commissioner, including the toll-free telephone number available to
45 contact the program;
46 C provides immunity from liability to an employee, volunteer, board

1 member or other representative of an organization selected by the
2 commissioner to operate the program or a member of the advisory
3 council for any action taken in the good faith performance of their
4 official duties in connection with the program; and
5 C appropriates $800,000 annually from the General Fund, or from the
6 monies received by the State under the nationwide tobacco
7 settlement, to DHSS to provide funding for the program, of which
8 sum: at least $380,000 shall be allocated to each of the
9 organizations selected by the commissioner to operate the program,
10 with a maximum of 5% to be allocated for the administrative
11 expenses of DHSS associated with the program.

SENATE HEALTH COMMITTEE

STATEMENT TO

SENATE, No. 637

with committee amendments

STATE OF NEW JERSEY

DATED: MARCH 20, 2000

The Senate Health Committee reports favorably and with committee amendments Senate Bill No. 637.

As amended by committee, this bill establishes a Managed Health Care Consumer Assistance Program in the Department of Health and Senior Services (DHSS) and directs the Commissioner of Health and Senior Services to contract with two independent, private nonprofit consumer advocacy organizations, the Community Health Law Project and New Jersey Protection and Advocacy, Inc., to operate the program in the northern and southern regions of the State, respectively. This program, through training, counseling and representation, will be designed to prepare, educate and assist health care consumers about their rights in a managed health care system, particularly those who have chronic disabilities or are senior citizens.

Specifically, the bill:

C requires the program to:

(1) create and provide educational materials and training to consumers regarding their rights and responsibilities as enrollees in managed care plans, including materials and training specific to the Medicaid and Medicare programs, respectively, and to commercial managed care plans;

(2) assist individual enrollees with various complaint, grievance and appeal processes, including representation in State fair hearings;

(3) provide support to, and coordination with, other patient advocacy groups, including legal services programs;

(4) maintain a toll-free telephone number for consumers to call for information and assistance;

(5) advocate for policies and programs that protect consumer interests and rights under managed care plans and identify, investigate, publicize and promote the removal of barriers, by way of practices, policies, laws, or regulations, to individuals' access to quality health care;

(6) ensure that individuals have timely access to the services of, and receive timely responses from, the program; and

(7) provide feedback to managed care plans, beneficiary advisory groups and employers regarding enrollees' concerns and problems;

C stipulates that the program shall have access to:

-- the medical and other records of an individual enrollee maintained by a managed care plan, upon the specific written authorization of the enrollee or his legal representative;

-- all licensing, certification, and data reporting records maintained by the State or reported to the federal government by the State that are not propriety information or otherwise protected by law, with copies thereof to be supplied to the program by the State upon the request of the program; and

-- the administrative records, policies, and documents of managed care plans to which individuals or the general public have access;

C requires the program to take such actions as are necessary to protect the identity and confidentiality of any complainant or other individual with respect to whom the program maintains files or records;

C provides that the program shall seek to complement, and to coordinate its activities with, other consumer advocacy organizations, legal assistance providers serving low-income and other vulnerable health care consumers, other managed care assistance and health insurance counseling assistance programs, and relevant State agencies;

C requires the Commissioner of Health and Senior Services to report to the Governor and the Legislature, no later than 18 months after the effective date of the bill and annually thereafter, on the activities of the program and its effectiveness in meeting its objectives;

C requires insurers which offer managed care plans to provide information about the program to their enrollees at the time of enrollment and annually thereafter as prescribed by regulation of the commissioner, including the toll-free telephone number available to contact the program;

C provides immunity from liability to an employee, volunteer, board member or other representative of an organization selected by the commissioner to operate the program for any action taken in the good faith performance of their official duties in connection with the program; and

C appropriates $800,000 annually from the General Fund, or from the monies received by the State under the nationwide tobacco settlement, to DHSS to provide funding for the program, of which sum: at least $380,000 shall be allocated to each of the organizations selected by the commissioner to operate the program, with a maximum of 5% to be allocated for the administrative expenses of DHSS associated with the program.

The committee amended the bill to specify that the program shall have access to medical and other records of an enrollee of a managed care plan, upon the specific written authorization of the enrollee; and access to all licensing, certification and data reporting records maintained by the State or reported to the federal government by the

State, that are not propriety information or otherwise protected by law.

As amended by committee, this bill is similar to Assembly Bill No. 1088 (Caraballo/DiGaetano) which is pending before the Assembly Health Committee.

This bill was prefiled for introduction in the 2000-2001 session pending technical review. As reported, the bill includes the changes required by technical review which has been performed.

[First Reprint]

SENATE, No. 637

STATE OF NEW JERSEY

209th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2000 SESSION

Sponsored by:
Senator JOHN J. MATHEUSSEN
District 4 (Camden and Gloucester)
Senator JACK SINAGRA
District 18 (Middlesex)

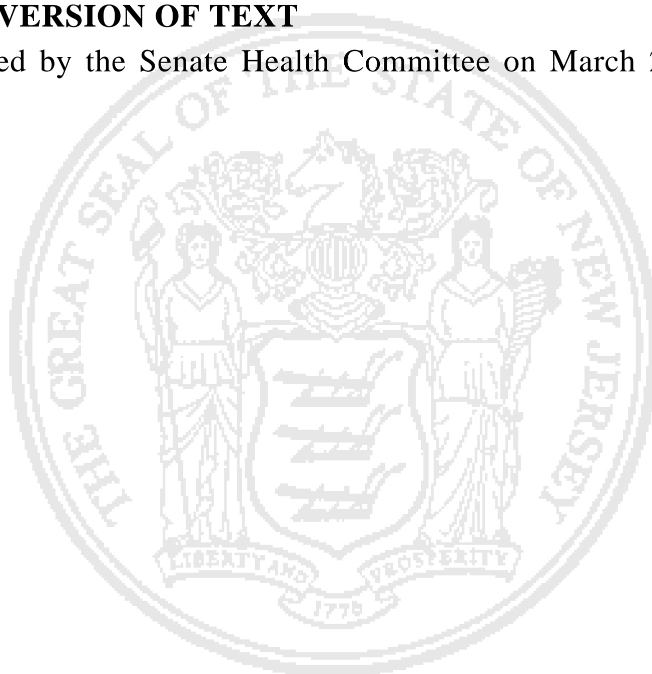
Co-Sponsored by:
Senator Adler

SYNOPSIS

Establishes Managed Health Care Consumer Assistance Program; appropriates $800,000.

CURRENT VERSION OF TEXT

As reported by the Senate Health Committee on March 20, 2000, with amendments.



(Sponsorship Updated As Of: 3/24/2000)

1 **AN ACT** establishing a Managed Health Care Consumer Assistance
2 Program, amending and supplementing P.L.1997, c.192, and
3 making an appropriation therefor.
4
5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
6 *of New Jersey:*
7
8 1. (New section) The Legislature finds and declares that:
9 a. Managed health care, regardless of the form it takes, is now the
10 primary vehicle for the delivery of health care in this nation; and the
11 rapid transition to managed health care has left consumers confused
12 and concerned about how it affects them and how to navigate the
13 managed health care system;
14 b. Despite the clear promises of reduced costs, quality service and
15 comprehensive care made by managed care plans, many consumers are
16 uncertain about how to obtain appropriate care and inhibited in their
17 efforts to do so. They often lack necessary information about the
18 benefits and referral requirements of specific plans and have no access
19 to resources which might assist them to obtain quality care on a timely
20 basis;
21 c. Consumers need help understanding their rights and
22 responsibilities and how to access care and assert their rights in a
23 complex managed care environment; and
24 d. It is, therefore, in the public interest to establish a program to
25 provide consumers with the information and assistance they need to
26 access the high-quality, cost-effective health care available from
27 managed care plans and to monitor the performance of the managed
28 care system in this State in order to ensure that systemic problems are
29 corrected as necessary and to promote the rights and interests of
30 managed care consumers.
31
32 2. (New section) As used in this act:
33 "Carrier" means a carrier as defined in section 2 of P.L.1997, c.192
34 (C.26:2S-2).
35 "Commissioner" means the Commissioner of Health and Senior
36 Services.
37 "Department" means the Department of Health and Senior Services.
38 "Managed care plan" means a managed care plan as defined in
39 section 2 of P.L.1997, c.192 (C.26:2S-2).
40 "Medicaid" means the Medicaid program established pursuant to
41 P.L.1968, c.413 (C.30:4D-1 et seq.).
42 "Medicare" means the federal Medicare program established

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

Matter underlined thus is new matter.
Matter enclosed in superscript numerals has been adopted as follows:
[1] Senate SHH committee amendments adopted March 20, 2000.

1 pursuant to the federal Social Security Act, Pub.L.89-97 (42 U.S.C.
2 s.1395 et seq.).
3 "Program" means the Managed Health Care Consumer Assistance
4 Program established pursuant to this act.
5
6 3. (New section) a. There is established the Managed Health Care
7 Consumer Assistance Program in the Department of Health and Senior
8 Services. The commissioner shall select two independent, private
9 nonprofit consumer advocacy organizations, which shall be the
10 Community Health Law Project and New Jersey Protection and
11 Advocacy, Inc., with each of which the commissioner shall contract to
12 operate the program in the northern and southern regions of the State,
13 respectively.
14 b. The program shall:
15 (1) create and provide educational materials and training to
16 consumers regarding their rights and responsibilities as enrollees in
17 managed care plans, including materials and training specific to the
18 Medicaid and Medicare programs, respectively, and to commercial
19 managed care plans;
20 (2) assist individual enrollees with various complaint, grievance
21 and appeal processes, including representation in State fair hearings;
22 (3) provide support to, and coordination with, other patient
23 advocacy groups, including legal services programs;
24 (4) maintain a toll-free telephone number for consumers to call for
25 information and assistance. The number shall be accessible to the deaf
26 and hard of hearing, and staff or translation services shall be available
27 to assist non-English proficient individuals who are members of
28 language groups that meet population thresholds established by the
29 department;
30 (5) advocate for policies and programs that protect consumer
31 interests and rights under managed care plans and identify, investigate,
32 publicize and promote the removal of barriers, by way of practices,
33 policies, laws, or regulations, to individuals' access to quality health
34 care;
35 (6) ensure that individuals have timely access to the services of,
36 and receive timely responses from, the program; and
37 (7) provide feedback to managed care plans, beneficiary advisory
38 groups and employers regarding enrollees' concerns and problems.
39 c. In order to meet its objectives, the program shall have access to:
40 (1) the medical and other records of an individual enrollee
41 maintained by a managed care plan, upon the [1]specific[1] written
42 authorization of the enrollee or his legal representative;
43 (2) the administrative records, policies, and documents of managed
44 care plans to which individuals or the general public have access; and
45 (3) all licensing, certification, and data reporting records maintained
46 by the State or reported to the federal government by the State [1]that

1 are not propriety information or otherwise protected by law[1], with
2 copies thereof to be supplied to the program by the State upon the
3 request of the program.
4 d. The program shall take such actions as are necessary to protect
5 the identity and confidentiality of any complainant or other individual
6 with respect to whom the program maintains files or records.
7 e. The program shall seek to complement, and to coordinate its
8 activities with, other consumer advocacy organizations, legal
9 assistance providers serving low-income and other vulnerable health
10 care consumers, other managed care assistance and health insurance
11 counseling assistance programs, and relevant State agencies.
12
13 4. (New section) The commissioner shall report to the Governor
14 and the Legislature, no later than 18 months after the effective date of
15 this act and annually thereafter, on the activities of the program and its
16 effectiveness in meeting its objectives, including an evaluation of
17 consumer problems, concerns and complaints, and shall accompany
18 that report with any recommendations that the commissioner deems
19 appropriate, including, but not limited to, any recommendation for an
20 adjustment in the amount appropriated to the department to fund the
21 program pursuant to subsection b. of section 6 of this act.
22
23 5. (New section) An employee, volunteer, board member or other
24 representative of an organization selected by the commissioner
25 pursuant to section 3 of this act shall be immune from liability for any
26 action taken in the good faith performance of their official duties in
27 connection with the program.
28
29 6. (New section) a. There is appropriated $800,000 to the
30 department from the General Fund to provide funding for the program,
31 except that funds may be appropriated, in lieu of part or all of the
32 amount appropriated from the General Fund, from the monies made
33 available to the State from tobacco companies under the nationwide
34 settlement of the respective actions by state governments against those
35 companies. Of the amount appropriated pursuant to this subsection,
36 at least $380,000 shall be allocated to each of the organizations
37 selected by the commissioner pursuant to section 3 of this act.
38 b. In fiscal year 2001 and each fiscal year thereafter, the Governor
39 shall recommend and the Legislature shall appropriate to the
40 department to fund the program, $800,000 from the General Fund, or
41 as otherwise provided in subsection a. of this section, of which sum at
42 least $380,000 shall be allocated to each of the organizations selected
43 by the commissioner pursuant to section 3 of this act.
44 c. Of the amounts appropriated pursuant to subsections a. and b.
45 of this subsection, up to 5% may be expended by the department for
46 administrative purposes associated with the program.

1 d. (1) The commissioner shall establish a sliding fee scale, based
2 upon household income, for legal and non-legal advocacy services
3 provided by the program which assist persons in pursuing grievances
4 and appeals related to managed care plans.
5 (2) Revenues received by the department pursuant to paragraph (1)
6 of this subsection shall be deposited into a special nonlapsing fund
7 which the commissioner shall create in the department for the purpose
8 of providing funding for the program, and these revenues and the
9 interest earned therefrom shall be utilized to fund the program in
10 addition to the amount appropriated pursuant to subsection b. of this
11 section.
12
13 7. Section 5 of P.L.1997, c.192 (C.26:2S-5) is amended to read
14 as follows:
15 5. a. In addition to the disclosure requirements provided in section
16 4 of this act, a carrier which offers a managed care plan shall disclose
17 to a subscriber, in writing, in a manner consistent with the "Life and
18 Health Insurance Policy Language Simplification Act," P.L.1979,
19 c.167 (C.17B:17-17 et seq.), the following information at the time of
20 enrollment and annually thereafter:
21 (1) A current participating provider directory providing
22 information on a covered person's access to primary care physicians
23 and specialists, including the number of available participating
24 physicians, by provider category or specialty and by county. The
25 directory shall include the professional office address of a primary care
26 physician and any hospital affiliation the primary care physician has.
27 The directory shall also provide information about participating
28 hospitals.
29 The carrier shall promptly notify each covered person prior to the
30 termination or withdrawal from the carrier's provider network of the
31 covered person's primary care physician;
32 (2) General information about the financial incentives between
33 participating physicians under contract with the carrier and other
34 participating health care providers and facilities to which the
35 participating physicians refer their managed care patients;
36 (3) The percentage of the carrier's managed care plan's network
37 physicians who are board certified;
38 (4) The carrier's managed care plan's standard for customary
39 waiting times for appointments for urgent and routine care; and
40 (5) The availability through the department, upon request of a
41 member of the general public, of independent consumer satisfaction
42 survey results and an analysis of quality outcomes of health care
43 services of managed care plans in the State; and
44 (6) Information about the Managed Health Care Consumer
45 Assistance Program established pursuant to P.L , c. (C.)
46 (pending before the Legislature as this bill) as prescribed by regulation

1 of the commissioner, including the toll-free telephone number available
2 to contact the program.
3 The carrier shall provide a prospective subscriber with information
4 about the provider network, including hospital affiliations, and other
5 information specified in this subsection, upon request.
6 b. Upon request of a covered person, a carrier shall promptly
7 inform the person:
8 (1) whether a particular network physician is board certified; and
9 (2) whether a particular network physician is currently accepting
10 new patients.
11 c. The carrier shall file the information required pursuant to this
12 section with the department.
13 (cf: P.L.1997, c.192, s.5)
14
15 8. The Commissioner of Health and Senior Services, pursuant to
16 the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
17 seq.), shall adopt rules and regulations to effectuate the purposes of
18 this act.
19
20 9. This act shall take effect on July 1, 2000 or immediately,
21 whichever is later.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

SENATE, No. 637

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 19, 2000

The Senate Budget and Appropriations Committee reports favorably and with committee amendments Senate Bill No. 637 (1R).

This bill establishes a Managed Health Care Consumer Assistance Program in the Department of Health and Senior Services (DHSS). This program, through training, counseling and representation, will be designed to prepare, educate and assist health care consumers about their rights in a managed health care system. The bill directs the Commissioner of Health and Senior Services to contract with two independent, private nonprofit consumer advocacy organizations, the Community Health Law Project and New Jersey Protection and Advocacy, Inc., to operate the program in the northern and southern regions of the State, respectively.

Program activities. The bill requires the program to:

(1) create and provide educational materials and training to consumers regarding their rights and responsibilities as enrollees in managed care plans, including materials and training specific to the Medicaid and Medicare programs and to commercial managed care plans;

(2) assist individual enrollees with various complaint, grievance and appeal processes, including representation in State fair hearings;

(3) provide support to, and coordination with, other patient advocacy groups, including legal services programs;

(4) maintain a toll-free telephone number for consumers to call for information and assistance;

(5) advocate for policies and programs that protect consumer interests and rights under managed care plans and identify, investigate, publicize and promote the removal of barriers, by way of practices, policies, laws, or regulations, to individuals' access to quality health care;

(6) ensure that individuals have timely access to the services of, and receive timely responses from, the program; and

(7) provide feedback to managed care plans, beneficiary advisory groups and employers regarding enrollees' concerns and problems.

Records access and security. The bill stipulates that the program shall have access to (a) the medical and other records of an individual enrollee maintained by a managed care plan, upon the specific written authorization of the enrollee or his legal representative, (b) the administrative records, policies, and documents of managed care plans to which individuals or the general public have access, and (c) all licensing, certification, and data reporting records maintained by the State or reported to the federal government by the State that are not proprietary information or otherwise protected by law, with copies of those records to be supplied to the program by the State at the request of the program. The bill requires the program to take such actions as are necessary to protect the identity and confidentiality of any complainant or other individual with respect to whom the program maintains files or records.

Other provisions. *Immunity* -- The bill provides immunity from liability to employees, volunteers, board members or other representatives of an organization designated to operate the program for any action taken in the good faith performance of their official duties in connection with the program.

Notice of program availability -- The bill revises the statutory annual disclosure statement that insurers offering managed care plans must provide to enrollees to include information about the program, including the program's toll-free telephone number.

Reports -- The bill requires the Commissioner of Health and Senior Services to report to the Governor and the Legislature, within 18 months after the bill takes effective as law and annually thereafter, on the program's activities and its effectiveness in meeting its objectives.

COMMITTEE AMENDMENTS:

Technical committee amendments to this bill correct a typographical error and a reference to fiscal years following the fiscal year (FY2001) to which the bill's appropriation applies.

FISCAL IMPACT:

The bill appropriates to DHSS from the General Fund, or from the monies received by the State under the nationwide tobacco settlement, the sum of $800,000 to fund the program, of which amount at least $380,000 shall be allocated to each of the organizations designated to operate the program, with a maximum of 5% to be allocated for the administrative expenses of DHSS associated with the program. The bill includes a provision directing the appropriation of a like amount to fund the program in future fiscal years.

[Second Reprint]

SENATE, No. 637

STATE OF NEW JERSEY

209th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2000 SESSION

Sponsored by:
Senator JOHN J. MATHEUSSEN
District 4 (Camden and Gloucester)
Senator JACK SINAGRA
District 18 (Middlesex)

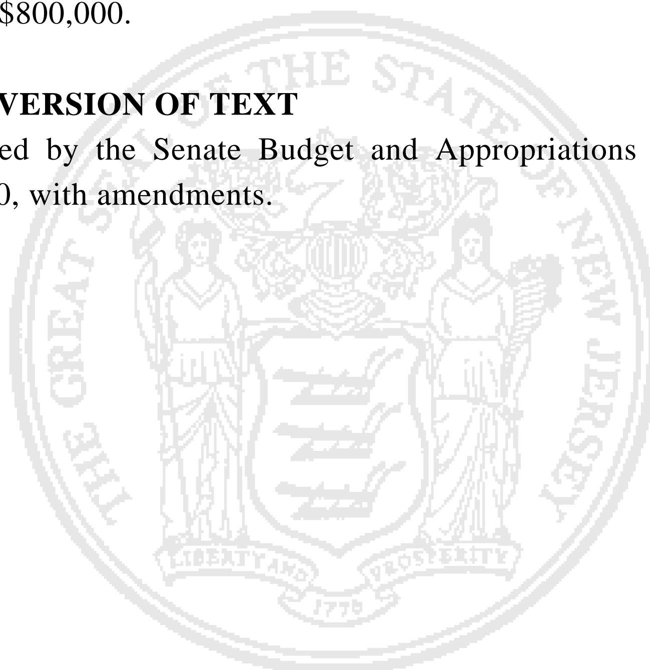
Co-Sponsored by:
Senators Adler and Rice

SYNOPSIS

Establishes Managed Health Care Consumer Assistance Program; appropriates $800,000.

CURRENT VERSION OF TEXT

As reported by the Senate Budget and Appropriations Committee on June 19, 2000, with amendments.



(Sponsorship Updated As Of: 12/5/2000)

AN ACT establishing a Managed Health Care Consumer Assistance Program, amending and supplementing P.L.1997, c.192, and making an appropriation therefor.

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

1. (New section) The Legislature finds and declares that:

a. Managed health care, regardless of the form it takes, is now the primary vehicle for the delivery of health care in this nation; and the rapid transition to managed health care has left consumers confused and concerned about how it affects them and how to navigate the managed health care system;

b. Despite the clear promises of reduced costs, quality service and comprehensive care made by managed care plans, many consumers are uncertain about how to obtain appropriate care and inhibited in their efforts to do so. They often lack necessary information about the benefits and referral requirements of specific plans and have no access to resources which might assist them to obtain quality care on a timely basis;

c. Consumers need help understanding their rights and responsibilities and how to access care and assert their rights in a complex managed care environment; and

d. It is, therefore, in the public interest to establish a program to provide consumers with the information and assistance they need to access the high-quality, cost-effective health care available from managed care plans and to monitor the performance of the managed care system in this State in order to ensure that systemic problems are corrected as necessary and to promote the rights and interests of managed care consumers.

2. (New section) As used in this act:

"Carrier" means a carrier as defined in section 2 of P.L.1997, c.192 (C.26:2S-2).

"Commissioner" means the Commissioner of Health and Senior Services.

"Department" means the Department of Health and Senior Services.

"Managed care plan" means a managed care plan as defined in section 2 of P.L.1997, c.192 (C.26:2S-2).

"Medicaid" means the Medicaid program established pursuant to P.L.1968, c.413 (C.30:4D-1 et seq.).

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

Matter underlined <u>thus</u> is new matter.
Matter enclosed in superscript numerals has been adopted as follows:
[1] Senate SHH committee amendments adopted March 20, 2000.
[2] Senate SBA committee amendments adopted June 19, 2000.

1 "Medicare" means the federal Medicare program established
2 pursuant to the federal Social Security Act, Pub.L.89-97 (42 U.S.C.
3 s.1395 et seq.).
4 "Program" means the Managed Health Care Consumer Assistance
5 Program established pursuant to this act.
6
7 3. (New section) a. There is established the Managed Health Care
8 Consumer Assistance Program in the Department of Health and Senior
9 Services. The commissioner shall select two independent, private
10 nonprofit consumer advocacy organizations, which shall be the
11 Community Health Law Project and New Jersey Protection and
12 Advocacy, Inc., with each of which the commissioner shall contract to
13 operate the program in the northern and southern regions of the State,
14 respectively.
15 b. The program shall:
16 (1) create and provide educational materials and training to
17 consumers regarding their rights and responsibilities as enrollees in
18 managed care plans, including materials and training specific to the
19 Medicaid and Medicare programs, respectively, and to commercial
20 managed care plans;
21 (2) assist individual enrollees with various complaint, grievance
22 and appeal processes, including representation in State fair hearings;
23 (3) provide support to, and coordination with, other patient
24 advocacy groups, including legal services programs;
25 (4) maintain a toll-free telephone number for consumers to call for
26 information and assistance. The number shall be accessible to the deaf
27 and hard of hearing, and staff or translation services shall be available
28 to assist non-English proficient individuals who are members of
29 language groups that meet population thresholds established by the
30 department;
31 (5) advocate for policies and programs that protect consumer
32 interests and rights under managed care plans and identify, investigate,
33 publicize and promote the removal of barriers, by way of practices,
34 policies, laws, or regulations, to individuals' access to quality health
35 care;
36 (6) ensure that individuals have timely access to the services of,
37 and receive timely responses from, the program; and
38 (7) provide feedback to managed care plans, beneficiary advisory
39 groups and employers regarding enrollees' concerns and problems.
40 c. In order to meet its objectives, the program shall have access to:
41 (1) the medical and other records of an individual enrollee
42 maintained by a managed care plan, upon the [1]specific[1] written
43 authorization of the enrollee or his legal representative;
44 (2) the administrative records, policies, and documents of managed
45 care plans to which individuals or the general public have access; and
46 (3) all licensing, certification, and data reporting records maintained

1 by the State or reported to the federal government by the State [1]that
2 are not [2]⟦propriety⟧ proprietary[2] information or otherwise protected
3 by law[1], with copies thereof to be supplied to the program by the State
4 upon the request of the program.
5 d. The program shall take such actions as are necessary to protect
6 the identity and confidentiality of any complainant or other individual
7 with respect to whom the program maintains files or records.
8 e. The program shall seek to complement, and to coordinate its
9 activities with, other consumer advocacy organizations, legal
10 assistance providers serving low-income and other vulnerable health
11 care consumers, other managed care assistance and health insurance
12 counseling assistance programs, and relevant State agencies.
13
14 4. (New section) The commissioner shall report to the Governor
15 and the Legislature, no later than 18 months after the effective date of
16 this act and annually thereafter, on the activities of the program and its
17 effectiveness in meeting its objectives, including an evaluation of
18 consumer problems, concerns and complaints, and shall accompany
19 that report with any recommendations that the commissioner deems
20 appropriate, including, but not limited to, any recommendation for an
21 adjustment in the amount appropriated to the department to fund the
22 program pursuant to subsection b. of section 6 of this act.
23
24 5. (New section) An employee, volunteer, board member or other
25 representative of an organization selected by the commissioner
26 pursuant to section 3 of this act shall be immune from liability for any
27 action taken in the good faith performance of their official duties in
28 connection with the program.
29
30 6. (New section) a. There is appropriated $800,000 to the
31 department from the General Fund to provide funding for the program,
32 except that funds may be appropriated, in lieu of part or all of the
33 amount appropriated from the General Fund, from the monies made
34 available to the State from tobacco companies under the nationwide
35 settlement of the respective actions by state governments against those
36 companies. Of the amount appropriated pursuant to this subsection,
37 at least $380,000 shall be allocated to each of the organizations
38 selected by the commissioner pursuant to section 3 of this act.
39 b. In fiscal year [2]⟦2001⟧ 2002[2] and each fiscal year thereafter, the
40 Governor shall recommend and the Legislature shall appropriate to the
41 department to fund the program, $800,000 from the General Fund, or
42 as otherwise provided in subsection a. of this section, of which sum at
43 least $380,000 shall be allocated to each of the organizations selected
44 by the commissioner pursuant to section 3 of this act.
45 c. Of the amounts appropriated pursuant to subsections a. and b.
46 of this subsection, up to 5% may be expended by the department for

1 administrative purposes associated with the program.
2 d. (1) The commissioner shall establish a sliding fee scale, based
3 upon household income, for legal and non-legal advocacy services
4 provided by the program which assist persons in pursuing grievances
5 and appeals related to managed care plans.
6 (2) Revenues received by the department pursuant to paragraph (1)
7 of this subsection shall be deposited into a special nonlapsing fund
8 which the commissioner shall create in the department for the purpose
9 of providing funding for the program, and these revenues and the
10 interest earned therefrom shall be utilized to fund the program in
11 addition to the amount appropriated pursuant to subsection b. of this
12 section.
13
14 7. Section 5 of P.L.1997, c.192 (C.26:2S-5) is amended to read
15 as follows:
16 5. a. In addition to the disclosure requirements provided in section
17 4 of this act, a carrier which offers a managed care plan shall disclose
18 to a subscriber, in writing, in a manner consistent with the "Life and
19 Health Insurance Policy Language Simplification Act," P.L.1979,
20 c.167 (C.17B:17-17 et seq.), the following information at the time of
21 enrollment and annually thereafter:
22 (1) A current participating provider directory providing
23 information on a covered person's access to primary care physicians
24 and specialists, including the number of available participating
25 physicians, by provider category or specialty and by county. The
26 directory shall include the professional office address of a primary care
27 physician and any hospital affiliation the primary care physician has.
28 The directory shall also provide information about participating
29 hospitals.
30 The carrier shall promptly notify each covered person prior to the
31 termination or withdrawal from the carrier's provider network of the
32 covered person's primary care physician;
33 (2) General information about the financial incentives between
34 participating physicians under contract with the carrier and other
35 participating health care providers and facilities to which the
36 participating physicians refer their managed care patients;
37 (3) The percentage of the carrier's managed care plan's network
38 physicians who are board certified;
39 (4) The carrier's managed care plan's standard for customary
40 waiting times for appointments for urgent and routine care; and
41 (5) The availability through the department, upon request of a
42 member of the general public, of independent consumer satisfaction
43 survey results and an analysis of quality outcomes of health care
44 services of managed care plans in the State; and
45 (6) Information about the Managed Health Care Consumer
46 Assistance Program established pursuant to P.L , c. (C.)

1 (pending before the Legislature as this bill) as prescribed by regulation
2 of the commissioner, including the toll-free telephone number available
3 to contact the program.
4 The carrier shall provide a prospective subscriber with information
5 about the provider network, including hospital affiliations, and other
6 information specified in this subsection, upon request.
7 b. Upon request of a covered person, a carrier shall promptly
8 inform the person:
9 (1) whether a particular network physician is board certified; and
10 (2) whether a particular network physician is currently accepting
11 new patients.
12 c. The carrier shall file the information required pursuant to this
13 section with the department.
14 (cf: P.L.1997, c.192, s.5)
15
16 8. The Commissioner of Health and Senior Services, pursuant to
17 the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
18 seq.), shall adopt rules and regulations to effectuate the purposes of
19 this act.
20
21 9. This act shall take effect on July 1, 2000 or immediately,
22 whichever is later.

STATEMENT TO

[Second Reprint]

SENATE, No. 637

with Senate Floor Amendments
(Proposed By Senator MATHEUSSEN)

ADOPTED: DECEMBER 4, 2000

These amendments make this bill identical to Assembly Bill No. 1088(2R).

The amendments:

(1) provide that the Commissioner of Health and Senior Services, in consultation with the Commissioners of Human Services and Banking and Insurance, shall make agreements to operate the Managed Health Care Consumer Assistance Program in all regions of the State, rather than contract with the Community Health Law Project and New Jersey Protection and Advocacy, Inc. to operate the program in the northern and southern regions of the State, as the bill originally required. The amendments provide, however, that the commissioner shall contract with these two organizations on an interim basis to operate the program for the first year until the commissioner is able to develop the program;

(2) expand the activities of the program to include:

-educating individual enrollees about the functions of the State and federal agencies that regulate managed care products; assisting and educating enrollees about the various complaint, grievance and appeal processes; providing assistance to individuals in determining which process is most appropriate for the individual to pursue; maintaining and providing to individual enrollees the forms that may be necessary to submit a complaint, grievance or appeal with government agencies; and providing assistance to individual enrollees in completion of the forms;

- maintaining and providing information to individuals upon request about advocacy groups, including legal services programs that may be available to assist individuals, as well as maintaining lists of State and Congressional representatives and the means by which to contact representatives, for distribution upon request;

- providing nonpartisan information about federal and State activities relative to managed care, and providing assistance to individuals in obtaining copies of pending legislation, statutes and regulations; and

- developing and maintaining a data base monitoring the degree of each type of service provided by the program to individual enrollees, the types of concerns and complaints brought to the program and the entities about which complaints and concerns are brought;

(3) delete the activities of the program related to providing representation in State fair hearings, providing support to other patient advocacy groups, advocating for policies and programs that protect consumer interests and rights and providing feedback to managed care plans and others regarding enrollees' concerns and problems;

(4) clarify that any medical or personally identifiable information received by the program is confidential and not subject to public access, inspection or copying;

(5) clarify that the program shall coordinate, rather than compliment and coordinate (as the bill originally provided), its activities with other public and private agencies to assure that the program's information is current and accurate;

(6) delete language specifying that in the commissioner's annual report on the program, the commissioner shall include any recommendation for an adjustment in the amount appropriated for the program;

(7) reduce the appropriation from $800,000 to $500,000 and delete language specifying how the appropriation shall be allocated; and

(8) delete language directing the commissioner to establish a sliding fee scale for legal and non-legal advocacy services provided by the program, and provide instead that the program may charge fees for the provision of materials to the public, and for training and education services that may be provided to for-profit organizations and the distribution of statistical information that may be developed by the program to nongovernmental agencies.

[Third Reprint]

SENATE, No. 637

STATE OF NEW JERSEY

209th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2000 SESSION

Sponsored by:
Senator JOHN J. MATHEUSSEN
District 4 (Camden and Gloucester)
Senator JACK SINAGRA
District 18 (Middlesex)

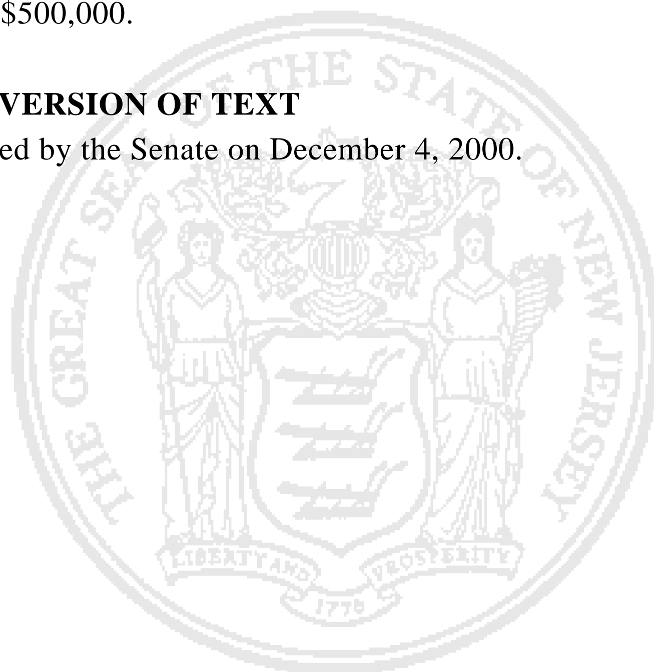
Co-Sponsored by:
Senators Adler, Rice and Inverso

SYNOPSIS

Establishes Managed Health Care Consumer Assistance Program; appropriates $500,000.

CURRENT VERSION OF TEXT

As amended by the Senate on December 4, 2000.



(Sponsorship Updated As Of: 12/19/2000)

1 **AN ACT** establishing a Managed Health Care Consumer Assistance
2 Program, amending and supplementing P.L.1997, c.192, and
3 making an appropriation therefor.
4
5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
6 *of New Jersey:*
7
8 1. (New section) The Legislature finds and declares that:
9 a. Managed health care, regardless of the form it takes, is now
10 [3]**[**the primary**]** <u>a major</u>[3] vehicle for the delivery of health care in this
11 nation; and the rapid transition to managed health care has left
12 consumers confused and concerned about how it affects them and how
13 to navigate the managed health care system;
14 b. Despite the clear promises of reduced costs, quality service and
15 comprehensive care made by managed care plans, many consumers are
16 uncertain about how to obtain appropriate care and inhibited in their
17 efforts to do so. They often lack necessary information about the
18 benefits and referral requirements of specific plans and have no access
19 to resources which might assist them to obtain quality care on a timely
20 basis;
21 c. Consumers need help understanding their rights and
22 responsibilities and how to access care and assert their rights in a
23 complex managed care environment; and
24 d. It is, therefore, in the public interest to establish a program to
25 provide consumers with the information and assistance they need to
26 access the high-quality, cost-effective health care available from
27 managed care plans [3]**[**and to monitor the performance of the managed
28 care system in this State in order to ensure that systemic problems are
29 corrected as necessary**]**[3] and to promote the rights and interests of
30 managed care consumers.
31
32 2. (New section) As used in this act:
33 "Carrier" means a carrier as defined in section 2 of P.L.1997, c.192
34 (C.26:2S-2).
35 "Commissioner" means the Commissioner of Health and Senior
36 Services.
37 "Department" means the Department of Health and Senior Services.
38 "Managed care plan" means a managed care plan as defined in
39 section 2 of P.L.1997, c.192 (C.26:2S-2).
40 "Medicaid" means the Medicaid program established pursuant to

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

Matter underlined <u>thus</u> is new matter.
Matter enclosed in superscript numerals has been adopted as follows:
[1] Senate SHH committee amendments adopted March 20, 2000.
[2] Senate SBA committee amendments adopted June 19, 2000.
[3] Senate floor amendments adopted December 4, 2000.

1 P.L.1968, c.413 (C.30:4D-1 et seq.).
2 "Medicare" means the federal Medicare program established
3 pursuant to the federal Social Security Act, Pub.L.89-97 (42 U.S.C.
4 s.1395 et seq.).
5 [3]"NJ FamilyCare" means the FamilyCare Health Coverage Program
6 established pursuant to P.L.2000, c.71 (C.30:4J-1 et seq.).[3]
7 "Program" means the Managed Health Care Consumer Assistance
8 Program established pursuant to this act.
9
10 3. (New section) a. There is established the Managed Health Care
11 Consumer Assistance Program in the Department of Health and Senior
12 Services. The commissioner shall [3][select two independent, private
13 nonprofit consumer advocacy organizations, which shall be the
14 Community Health Law Project and New Jersey Protection and
15 Advocacy, Inc., with each of which the commissioner shall
16 contract] make agreements[3] to operate the program [3][in the northern
17 and southern] as necessary, in consultation with the Commissioner of
18 Human Services and the Commissioner of Banking and Insurance, to
19 assure that citizens have reasonable access to services in all[3] regions
20 of the State[3][, respectively][3].
21 b. The program shall:
22 (1) create and provide educational materials and training to
23 consumers regarding their rights and responsibilities as enrollees in
24 managed care plans, including materials and training specific to
25 [3][the][3] Medicaid [3][and], NJ FamilyCare, [3]Medicare [3][programs,
26 respectively,][3] and [3][to][3] commercial managed care plans;
27 (2) assist [3]and educate[3] individual enrollees [3][with] about the
28 functions of the State and federal agencies that regulate managed care
29 products, assist and educate enrollees about the[3] various complaint,
30 grievance and appeal processes, including [3][representation in][3] State
31 fair hearings[3], provide assistance to individuals in determining which
32 process is most appropriate for the individual to pursue when
33 necessary, maintain and provide to individual enrollees the forms that
34 may be necessary to submit a complaint, grievance or appeal with the
35 State or federal agencies, and provide assistance to individual enrollees
36 in completion of the forms, if necessary[3];
37 (3) [3][provide support to, and coordination with, other
38 patient] maintain and provide information to individuals upon request
39 about[3] advocacy groups, including legal services programs [3]Statewide
40 and in each county that may be available to assist individuals, and
41 maintain lists of State and Congressional representatives and the
42 means by which to contact representatives, for distribution upon
43 request[3];
44 (4) maintain a toll-free telephone number for consumers to call for
45 information and assistance. The number shall be accessible to the deaf

1 and hard of hearing, and staff or translation services shall be available
2 to assist non-English proficient individuals who are members of
3 language groups that meet population thresholds established by the
4 department;
5 (5) [3][advocate for policies and programs that protect consumer
6 interests and rights under managed care plans and identify, investigate,
7 publicize and promote the removal of barriers, by way of practices,
8 policies, laws, or regulations, to individuals' access to quality health
9 care;
10 (6)][3] ensure that individuals have timely access to the services of,
11 and receive timely responses from, the program; [3][and
12 (7)](6)[3] provide feedback to managed care plans, beneficiary
13 advisory groups and employers regarding enrollees' concerns and
14 problems[3];
15 (7) provide nonpartisan information about federal and State
16 activities relative to managed care, and provide assistance to
17 individuals in obtaining copies of pending legislation, statutes and
18 regulations; and
19 (8) develop and maintain a data base monitoring the degree of each
20 type of service provided by the program to individual enrollees, the
21 types of concerns and complaints brought to the program and the
22 entities about which complaints and concerns are brought[3].
23 c. In order to meet its objectives, the program shall have access to:
24 (1) the medical and other records of an individual enrollee
25 maintained by a managed care plan, upon the [1]specific[1] written
26 authorization of the enrollee or his legal representative;
27 (2) the administrative records, policies, and documents of managed
28 care plans to which individuals or the general public have access; and
29 (3) all licensing, certification, and data reporting records
30 maintained by the State or reported to the federal government by the
31 State [1]that are not [2][propriety] proprietary[2] information or otherwise
32 protected by law[1], with copies thereof to be supplied to the program
33 by the State upon the request of the program.
34 d. The program shall take such actions as are necessary to protect
35 the identity and confidentiality of any complainant or other individual
36 with respect to whom the program maintains files or records. [3]Any
37 medical or personally identifying information received or in the
38 possession of the program shall be considered confidential and shall be
39 used only by the department, the program and such other agencies as
40 the commissioner designates and shall not be subject to public access,
41 inspection or copying under P.L.1963, c.73 (C.47:1A-1 et seq.) or the
42 common law concerning access to public records. This subsection
43 shall not be construed to limit the ability of the program to compile
44 and report non-identifying data pursuant to paragraph (8) of
45 subsection b. of this section.[3]
46 e. The program shall seek to [3][complement, and to][3] coordinate

1 its activities with[3] [, other] [3] consumer advocacy organizations, legal
2 assistance providers serving low-income and other vulnerable health
3 care consumers, [3] [other] [3] managed care [3] [assistance] [3] and health
4 insurance counseling assistance programs, and relevant [3] federal and [3]
5 State agencies [3] to assure that the information and assistance provided
6 by the program are current and accurate [3].
7 [3] f. Until such time as the program is developed, the commissioner
8 shall make agreements with two independent, private nonprofit
9 consumer advocacy organizations, which shall be the Community
10 Health Law Project and New Jersey Protection and Advocacy, Inc. to
11 operate the program on an interim basis. The interim program shall be
12 in effect for one year from the effective date of this act. Any
13 appropriation in this act for the program may be allocated for the
14 interim program. [3]
15
16 4. (New section) The commissioner shall report to the Governor
17 and the Legislature, no later than 18 months after the effective date of
18 this act and annually thereafter, on the [3] data collected by the program,
19 the [3] activities of the program and its effectiveness in meeting its
20 objectives, including an evaluation of consumer problems, concerns
21 and complaints, and shall accompany that report with any
22 recommendations that the commissioner deems appropriate [3] [,
23 including, but not limited to, any recommendation for an adjustment
24 in the amount appropriated to the department to fund the program
25 pursuant to subsection b. of section 6 of this act] [3].
26
27 5. (New section) An employee, volunteer, board member or other
28 representative of an organization selected by the commissioner
29 pursuant to section 3 of this act shall be immune from liability for any
30 action taken in the good faith performance of their official duties in
31 connection with the program.
32
33 6. (New section) a. There is appropriated [3] [$800,000] $500,000 [3]
34 to the department from the General Fund to provide funding for the
35 program, except that funds may be appropriated, in lieu of part or all
36 of the amount appropriated from the General Fund, from the monies
37 made available to the State from tobacco companies under the
38 nationwide settlement of the respective actions by state governments
39 against those companies. [3] [Of the amount appropriated pursuant to
40 this subsection, at least $380,000 shall be allocated to each of the
41 organizations selected by the commissioner pursuant to section 3 of
42 this act.] [3]
43 b. [3] [In fiscal year [2] [2001] 2002 [2] and each fiscal year thereafter,
44 the Governor shall recommend and the Legislature shall appropriate
45 to the department to fund the program, $800,000 from the General
46 Fund, or as otherwise provided in subsection a. of this section, of

which sum at least $380,000 shall be allocated to each of the organizations selected by the commissioner pursuant to section 3 of this act.

c. Of the amounts appropriated pursuant to subsections a. and b. of this subsection, up to 5% may be expended by the department for administrative purposes associated with the program.

d.**]**[3] (1) [3]**[**The commissioner shall establish a sliding fee scale, based upon household income, for legal and non-legal advocacy services provided by the program which assist persons in pursuing grievances and appeals related to managed care plans.**]** The program may charge fees for the provision of materials to the public consistent with P.L.1963, c.73 (C.47:1A-1 et seq.). The commissioner may establish a separate fee schedule for training and education services that may be provided by the program to for-profit organizations, and for the distribution to nongovernmental entities of statistical information that may be developed by the program.[3]

(2) Revenues received by the department pursuant to paragraph (1) of this subsection shall be deposited into a special nonlapsing fund which the commissioner shall create in the department for the purpose of providing funding for the program, and these revenues and the interest earned therefrom shall be utilized to fund the program in addition to the amount appropriated pursuant to subsection b. of this section.

7. Section 5 of P.L.1997, c.192 (C.26:2S-5) is amended to read as follows:

5. a. In addition to the disclosure requirements provided in section 4 of this act, a carrier which offers a managed care plan shall disclose to a subscriber, in writing, in a manner consistent with the "Life and Health Insurance Policy Language Simplification Act," P.L.1979, c.167 (C.17B:17-17 et seq.), the following information at the time of enrollment and annually thereafter:

(1) A current participating provider directory providing information on a covered person's access to primary care physicians and specialists, including the number of available participating physicians, by provider category or specialty and by county. The directory shall include the professional office address of a primary care physician and any hospital affiliation the primary care physician has. The directory shall also provide information about participating hospitals.

The carrier shall promptly notify each covered person prior to the termination or withdrawal from the carrier's provider network of the covered person's primary care physician;

(2) General information about the financial incentives between participating physicians under contract with the carrier and other participating health care providers and facilities to which the

1 participating physicians refer their managed care patients;
2 (3) The percentage of the carrier's managed care plan's network
3 physicians who are board certified;
4 (4) The carrier's managed care plan's standard for customary
5 waiting times for appointments for urgent and routine care; and
6 (5) The availability through the department, upon request of a
7 member of the general public, of independent consumer satisfaction
8 survey results and an analysis of quality outcomes of health care
9 services of managed care plans in the State; and
10 (6) Information about the Managed Health Care Consumer
11 Assistance Program established pursuant to P.L , c. (C.)
12 (pending before the Legislature as this bill) as prescribed by regulation
13 of the commissioner, including the toll-free telephone number available
14 to contact the program.
15 The carrier shall provide a prospective subscriber with information
16 about the provider network, including hospital affiliations, and other
17 information specified in this subsection, upon request.
18 b. Upon request of a covered person, a carrier shall promptly
19 inform the person:
20 (1) whether a particular network physician is board certified; and
21 (2) whether a particular network physician is currently accepting
22 new patients.
23 c. The carrier shall file the information required pursuant to this
24 section with the department.
25 (cf: P.L.1997, c.192, s.5)
26
27 8. The Commissioner of Health and Senior Services, pursuant to
28 the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
29 seq.), shall adopt rules and regulations to effectuate the purposes of
30 this act.
31
32 9. This act shall take effect on July 1, 2000 or immediately,
33 whichever is later.

§§1-6,8 -
C.26:2S-19
to 26:2S-25
§6 - Approp.
§9 - Note

P.L. 2001, CHAPTER 14, ***approved January 29, 2001***
Assembly, No. 1088 ***(Second Reprint)***

1 **AN ACT** establishing a Managed Health Care Consumer Assistance
2 Program, amending and supplementing P.L.1997, c.192, and
3 making an appropriation therefor.
4
5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
6 *of New Jersey:*
7
8 1. (New section) The Legislature finds and declares that:
9 a. Managed health care, regardless of the form it takes, is now
10 [2]**[**the primary**]** a major[2] vehicle for the delivery of health care in this
11 nation; and the rapid transition to managed health care has left
12 consumers confused and concerned about how it affects them and how
13 to navigate the managed health care system;
14 b. Despite the clear promises of reduced costs, quality service and
15 comprehensive care made by managed care plans, many consumers are
16 uncertain about how to obtain appropriate care and inhibited in their
17 efforts to do so. They often lack necessary information about the
18 benefits and referral requirements of specific plans and have no access
19 to resources which might assist them to obtain quality care on a timely
20 basis;
21 c. Consumers need help understanding their rights and
22 responsibilities and how to access care and assert their rights in a
23 complex managed care environment; and
24 d. It is, therefore, in the public interest to establish a program to
25 provide consumers with the information and assistance they need to
26 access the high-quality, cost-effective health care available from
27 managed care plans [2]**[**and to monitor the performance of the managed
28 care system in this State in order to ensure that systemic problems are
29 corrected as necessary**]**[2] and to promote the rights and interests of
30 managed care consumers.
31
32 2. (New section) As used in this act:
33 "Carrier" means a carrier as defined in section 2 of P.L.1997, c.192
34 (C.26:2S-2).
35 "Commissioner" means the Commissioner of Health and Senior
36 Services.

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

Matter underlined thus is new matter.
Matter enclosed in superscript numerals has been adopted as follows:
[1] Assembly AHL committee amendments adopted June 19, 2000.
[2] Assembly floor amendments adopted November 20, 2000.

1 "Department" means the Department of Health and Senior Services.
2 "Managed care plan" means a managed care plan as defined in
3 section 2 of P.L.1997, c.192 (C.26:2S-2).
4 "Medicaid" means the Medicaid program established pursuant to
5 P.L.1968, c.413 (C.30:4D-1 et seq.).
6 "Medicare" means the federal Medicare program established
7 pursuant to the federal Social Security Act, Pub.L.89-97 (42 U.S.C.
8 s.1395 et seq.).
9 [2]"NJ FamilyCare" means the FamilyCare Health Coverage Program
10 established pursuant to P.L.2000, c.71 (C.30:4J-1 et seq.).[2]
11 "Program" means the Managed Health Care Consumer Assistance
12 Program established pursuant to this act.
13
14 3. (New section) a. There is established the Managed Health Care
15 Consumer Assistance Program in the Department of Health and Senior
16 Services. The commissioner shall [2][select two independent, private
17 nonprofit consumer advocacy organizations, which shall be the
18 Community Health Law Project and New Jersey Protection and
19 Advocacy, Inc., with each of which the commissioner shall
20 contract] make agreements[2] to operate the program[2][in the northern
21 and southern] as necessary, in consultation with the Commissioner of
22 Human Services and the Commissioner of Banking and Insurance, to
23 assure that citizens have reasonable access to services in all[2] regions
24 of the State[2][, respectively][2].
25 b. The program shall:
26 (1) create and provide educational materials and training to
27 consumers regarding their rights and responsibilities as enrollees in
28 managed care plans, including materials and training specific to
29 [2][the][2] Medicaid [2][and], NJ FamilyCare,[2] Medicare [2][programs,
30 respectively,][2] and [2][to][2] commercial managed care plans;
31 (2) assist [2]and educate[2] individual enrollees [2][with] about the
32 functions of the State and federal agencies that regulate managed care
33 products, assist and educate enrollees about the[2] various complaint,
34 grievance and appeal processes, including [2][representation in][2] State
35 fair hearings[2], provide assistance to individuals in determining which
36 process is most appropriate for the individual to pursue when
37 necessary, maintain and provide to individual enrollees the forms that
38 may be necessary to submit a complaint, grievance or appeal with the
39 State or federal agencies, and provide assistance to individual enrollees
40 in completion of the forms, if necessary[2];
41 (3) [2][provide support to, and coordination with, other
42 patient] maintain and provide information to individuals upon request
43 about[2] advocacy groups, including legal services programs [2]Statewide
44 and in each county that may be available to assist individuals, and
45 maintain lists of State and Congressional representatives and the

1 means by which to contact representatives, for distribution upon
2 request[2];
3 (4) maintain a toll-free telephone number for consumers to call for
4 information and assistance. The number shall be accessible to the deaf
5 and hard of hearing, and staff or translation services shall be available
6 to assist non-English proficient individuals who are members of
7 language groups that meet population thresholds established by the
8 department;
9 (5) [2][advocate for policies and programs that protect consumer
10 interests and rights under managed care plans and identify, investigate,
11 publicize and promote the removal of barriers, by way of practices,
12 policies, laws, or regulations, to individuals' access to quality health
13 care;
14 (6)][2] ensure that individuals have timely access to the services of,
15 and receive timely responses from, the program; [2][and
16 (7)](6)[2] provide feedback to managed care plans, beneficiary
17 advisory groups and employers regarding enrollees' concerns and
18 problems[2];
19 (7) provide nonpartisan information about federal and State
20 activities relative to managed care, and provide assistance to
21 individuals in obtaining copies of pending legislation, statutes and
22 regulations; and
23 (8) develop and maintain a data base monitoring the degree of each
24 type of service provided by the program to individual enrollees, the
25 types of concerns and complaints brought to the program and the
26 entities about which complaints and concerns are brought[2].
27 c. In order to meet its objectives, the program shall have access to:
28 (1) the medical and other records of an individual enrollee
29 maintained by a managed care plan, upon the [1]specific[1] written
30 authorization of the enrollee or his legal representative;
31 (2) the administrative records, policies, and documents of managed
32 care plans to which individuals or the general public have access; and
33 (3) all licensing, certification, and data reporting records maintained
34 by the State or reported to the federal government by the State [1]that
35 are not proprietary information or otherwise protected by law[1], with
36 copies thereof to be supplied to the program by the State upon the
37 request of the program.
38 d. The program shall take such actions as are necessary to protect
39 the identity and confidentiality of any complainant or other individual
40 with respect to whom the program maintains files or records. [2]Any
41 medical or personally identifying information received or in the
42 possession of the program shall be considered confidential and shall be
43 used only by the department, the program and such other agencies as
44 the commissioner designates and shall not be subject to public access,
45 inspection or copying under P.L.1963, c.73 (C.47:1A-1 et seq.) or the
46 common law concerning access to public records. This subsection

shall not be construed to limit the ability of the program to compile and report non-identifying data pursuant to paragraph (8) of subsection b. of this section.[2]

e. The program shall seek to [2][complement, and to][2] coordinate its activities with[2][, other][2] consumer advocacy organizations, legal assistance providers serving low-income and other vulnerable health care consumers, [2][other][2] managed care [2][assistance] [2]and health insurance counseling assistance programs, and relevant [2]federal and[2] State agencies [2]to assure that the information and assistance provided by the program are current and accurate[2].

[2]f. Until such time as the program is developed, the commissioner shall make agreements with two independent, private nonprofit consumer advocacy organizations, which shall be the Community Health Law Project and New Jersey Protection and Advocacy, Inc. to operate the program on an interim basis. The interim program shall be in effect for one year from the effective date of this act. Any appropriation in this act for the program may be allocated for the interim program.[2]

4. (New section) The commissioner shall report to the Governor and the Legislature, no later than 18 months after the effective date of this act and annually thereafter, on the [2]data collected by the program, the[2] activities of the program and its effectiveness in meeting its objectives, including an evaluation of consumer problems, concerns and complaints, and shall accompany that report with any recommendations that the commissioner deems appropriate[2][, including, but not limited to, any recommendation for an adjustment in the amount appropriated to the department to fund the program pursuant to subsection b. of section 6 of this act][2].

5. (New section) An employee, volunteer, board member or other representative of an organization selected by the commissioner pursuant to section 3 of this act shall be immune from liability for any action taken in the good faith performance of their official duties in connection with the program.

6. (New section) a. There is appropriated [2][$800,000] $500,000[2] to the department from the General Fund to provide funding for the program, except that funds may be appropriated, in lieu of part or all of the amount appropriated from the General Fund, from the monies made available to the State from tobacco companies under the nationwide settlement of the respective actions by state governments against those companies. [2][Of the amount appropriated pursuant to this subsection, at least $380,000 shall be allocated to each of the organizations selected by the commissioner pursuant to section 3 of this act.][2]

1 b. [2][In fiscal year [1][2001] 2002[1] and each fiscal year thereafter,
2 the Governor shall recommend and the Legislature shall appropriate
3 to the department to fund the program, $800,000 from the General
4 Fund, or as otherwise provided in subsection a. of this section, of
5 which sum at least $380,000 shall be allocated to each of the
6 organizations selected by the commissioner pursuant to section 3 of
7 this act.
8 c. Of the amounts appropriated pursuant to subsections a. and b.
9 of this subsection, up to 5% may be expended by the department for
10 administrative purposes associated with the program.
11 d.][2] (1) [2][The commissioner shall establish a sliding fee scale,
12 based upon household income, for legal and non-legal advocacy
13 services provided by the program which assist persons in pursuing
14 grievances and appeals related to managed care plans.] The program
15 may charge fees for the provision of materials to the public consistent
16 with P.L.1963, c.73 (C.47:1A-1 et seq.). The commissioner may
17 establish a separate fee schedule for training and education services
18 that may be provided by the program to for-profit organizations, and
19 for the distribution to nongovernmental entities of statistical
20 information that may be developed by the program.[2]
21 (2) Revenues received by the department pursuant to paragraph (1)
22 of this subsection shall be deposited into a special nonlapsing fund
23 which the commissioner shall create in the department for the purpose
24 of providing funding for the program, and these revenues and the
25 interest earned therefrom shall be utilized to fund the program in
26 addition to the amount appropriated pursuant to subsection b. of this
27 section.
28
29 7. Section 5 of P.L.1997, c.192 (C.26:2S-5) is amended to read
30 as follows:
31 5. a. In addition to the disclosure requirements provided in section
32 4 of this act, a carrier which offers a managed care plan shall disclose
33 to a subscriber, in writing, in a manner consistent with the "Life and
34 Health Insurance Policy Language Simplification Act," P.L.1979,
35 c.167 (C.17B:17-17 et seq.), the following information at the time of
36 enrollment and annually thereafter:
37 (1) A current participating provider directory providing
38 information on a covered person's access to primary care physicians
39 and specialists, including the number of available participating
40 physicians, by provider category or specialty and by county. The
41 directory shall include the professional office address of a primary care
42 physician and any hospital affiliation the primary care physician has.
43 The directory shall also provide information about participating
44 hospitals.
45 The carrier shall promptly notify each covered person prior to the
46 termination or withdrawal from the carrier's provider network of the

1 covered person's primary care physician;
2 (2) General information about the financial incentives between
3 participating physicians under contract with the carrier and other
4 participating health care providers and facilities to which the
5 participating physicians refer their managed care patients;
6 (3) The percentage of the carrier's managed care plan's network
7 physicians who are board certified;
8 (4) The carrier's managed care plan's standard for customary
9 waiting times for appointments for urgent and routine care; and
10 (5) The availability through the department, upon request of a
11 member of the general public, of independent consumer satisfaction
12 survey results and an analysis of quality outcomes of health care
13 services of managed care plans in the State; and
14 (6) Information about the Managed Health Care Consumer
15 Assistance Program established pursuant to P.L , c. (C.)
16 (pending before the Legislature as this bill) as prescribed by regulation
17 of the commissioner, including the toll-free telephone number available
18 to contact the program.
19 The carrier shall provide a prospective subscriber with information
20 about the provider network, including hospital affiliations, and other
21 information specified in this subsection, upon request.
22 b. Upon request of a covered person, a carrier shall promptly
23 inform the person:
24 (1) whether a particular network physician is board certified; and
25 (2) whether a particular network physician is currently accepting
26 new patients.
27 c. The carrier shall file the information required pursuant to this
28 section with the department.
29 (cf: P.L.1997, c.192, s.5)
30
31 8. The Commissioner of Health and Senior Services, pursuant to
32 the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
33 seq.), shall adopt rules and regulations to effectuate the purposes of
34 this act.
35
36 9. This act shall take effect on July 1, [1][1999] 2000[1] or
37 immediately, whichever is later.
38
39
40 ________________
41
42 Establishes Managed Health Care Consumer Assistance Program;
43 appropriates $500,000.

CHAPTER 14

AN ACT establishing a Managed Health Care Consumer Assistance Program, amending and supplementing P.L.1997, c.192, and making an appropriation therefor.

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

C.26:2S-19 Findings, delcarations relative to Managed Health Care Consumer Assistance Program.

1. The Legislature finds and declares that:

a. Managed health care, regardless of the form it takes, is now a major vehicle for the delivery of health care in this nation; and the rapid transition to managed health care has left consumers confused and concerned about how it affects them and how to navigate the managed health care system;

b. Despite the clear promises of reduced costs, quality service and comprehensive care made by managed care plans, many consumers are uncertain about how to obtain appropriate care and inhibited in their efforts to do so. They often lack necessary information about the benefits and referral requirements of specific plans and have no access to resources which might assist them to obtain quality care on a timely basis;

c. Consumers need help understanding their rights and responsibilities and how to access care and assert their rights in a complex managed care environment; and

d. It is, therefore, in the public interest to establish a program to provide consumers with the information and assistance they need to access the high-quality, cost-effective health care available from managed care plans and to promote the rights and interests of managed care consumers.

C.26:2S-20 Definitions relative to Managed Health Care Consumer Assistance Program.

2. As used in this act:

"Carrier" means a carrier as defined in section 2 of P.L.1997, c.192 (C.26:2S-2).

"Commissioner" means the Commissioner of Health and Senior Services.

"Department" means the Department of Health and Senior Services.

"Managed care plan" means a managed care plan as defined in section 2 of P.L.1997, c.192 (C.26:2S-2).

"Medicaid" means the Medicaid program established pursuant to P.L.1968, c.413 (C.30:4D-1 et seq.).

"Medicare" means the federal Medicare program established pursuant to the federal Social Security Act, Pub.L.89-97 (42 U.S.C. s.1395 et seq.).

"NJ FamilyCare" means the FamilyCare Health Coverage Program established pursuant to P.L.2000, c.71 (C.30:4J-1 et seq.).

"Program" means the Managed Health Care Consumer Assistance Program established pursuant to this act.

C.26:2S-21 Managed Health Care Consumer Assistance Program.

3. a. There is established the Managed Health Care Consumer Assistance Program in the Department of Health and Senior Services. The commissioner shall make agreements to operate the program as necessary, in consultation with the Commissioner of Human Services and the Commissioner of Banking and Insurance, to assure that citizens have reasonable access to services in all regions of the State.

b. The program shall:

(1) create and provide educational materials and training to consumers regarding their rights and responsibilities as enrollees in managed care plans, including materials and training specific to Medicaid, NJ FamilyCare, Medicare and commercial managed care plans;

(2) assist and educate individual enrollees about the functions of the State and federal agencies that regulate managed care products, assist and educate enrollees about the various complaint, grievance and appeal processes, including State fair hearings, provide assistance to individuals in determining which process is most appropriate for the individual to pursue when necessary, maintain and provide to individual enrollees the forms that may be necessary to submit a complaint, grievance or appeal with the State or federal agencies, and provide assistance to individual enrollees in completion of the forms, if necessary;

(3) maintain and provide information to individuals upon request about advocacy groups, including legal services programs Statewide and in each county that may be available to assist individuals, and maintain lists of State and Congressional representatives and the means by which to contact representatives, for distribution upon request;

(4) maintain a toll-free telephone number for consumers to call for information and assistance. The number shall be accessible to the deaf and hard of hearing, and staff or translation services shall be available to assist non-English proficient individuals who are members of language groups that meet population thresholds established by the department;

(5) ensure that individuals have timely access to the services of, and receive timely responses from, the program;

(6) provide feedback to managed care plans, beneficiary advisory groups and employers regarding enrollees' concerns and problems;

(7) provide nonpartisan information about federal and State activities relative to managed care, and provide assistance to individuals in obtaining copies of pending legislation, statutes and regulations; and

(8) develop and maintain a data base monitoring the degree of each type of service provided by the program to individual enrollees, the types of concerns and complaints brought to the program and the entities about which complaints and concerns are brought.

c. In order to meet its objectives, the program shall have access to:

(1) the medical and other records of an individual enrollee maintained by a managed care plan, upon the specific written authorization of the enrollee or his legal representative;

(2) the administrative records, policies, and documents of managed care plans to which individuals or the general public have access; and

(3) all licensing, certification, and data reporting records maintained by the State or reported to the federal government by the State that are not proprietary information or otherwise protected by law, with copies thereof to be supplied to the program by the State upon the request of the program.

d. The program shall take such actions as are necessary to protect the identity and confidentiality of any complainant or other individual with respect to whom the program maintains files or records. Any medical or personally identifying information received or in the possession of the program shall be considered confidential and shall be used only by the department, the program and such other agencies as the commissioner designates and shall not be subject to public access, inspection or copying under P.L.1963, c.73 (C.47:1A-1 et seq.) or the common law concerning access to public records. This subsection shall not be construed to limit the ability of the program to compile and report non-identifying data pursuant to paragraph (8) of subsection b. of this section.

e. The program shall seek to coordinate its activities with consumer advocacy organizations, legal assistance providers serving low-income and other vulnerable health care consumers, managed care and health insurance counseling assistance programs, and relevant federal and State agencies to assure that the information and assistance provided by the program are current and accurate.

f. Until such time as the program is developed, the commissioner shall make agreements with two independent, private nonprofit consumer advocacy organizations, which shall be the Community Health Law Project and New Jersey Protection and Advocacy, Inc. to operate the program on an interim basis. The interim program shall be in effect for one year from the effective date of this act. Any appropriation in this act for the program may be allocated for the interim program.

C.26:2S-22 Report to Governor, Legislature.

4. The commissioner shall report to the Governor and the Legislature, no later than 18 months after the effective date of this act and annually thereafter, on the data collected by the program, the activities of the program and its effectiveness in meeting its objectives, including an evaluation of consumer problems, concerns and complaints, and shall accompany that report with any recommendations that the commissioner deems appropriate.

C.26:2S-23 Immunity from liability.
5. An employee, volunteer, board member or other representative of an organization selected by the commissioner pursuant to section 3 of this act shall be immune from liability for any action taken in the good faith performance of their official duties in connection with the program.

C.26:2S-24 Appropriations; fees, use.
6. a. There is appropriated $500,000 to the department from the General Fund to provide funding for the program, except that funds may be appropriated, in lieu of part or all of the amount appropriated from the General Fund, from the monies made available to the State from tobacco companies under the nationwide settlement of the respective actions by state governments against those companies.
b. (1) The program may charge fees for the provision of materials to the public consistent with P.L.1963, c.73 (C.47:1A-1 et seq.). The commissioner may establish a separate fee schedule for training and education services that may be provided by the program to for-profit organizations, and for the distribution to nongovernmental entities of statistical information that may be developed by the program.
(2) Revenues received by the department pursuant to paragraph (1) of this subsection shall be deposited into a special nonlapsing fund which the commissioner shall create in the department for the purpose of providing funding for the program, and these revenues and the interest earned therefrom shall be utilized to fund the program in addition to the amount appropriated pursuant to subsection b. of this section.

7. Section 5 of P.L.1997, c.192 (C.26:2S-5) is amended to read as follows:

C.26:2S-5 Additional disclosure requirements.
5. a. In addition to the disclosure requirements provided in section 4 of this act, a carrier which offers a managed care plan shall disclose to a subscriber, in writing, in a manner consistent with the "Life and Health Insurance Policy Language Simplification Act," P.L.1979, c.167 (C.17B:17-17 et seq.), the following information at the time of enrollment and annually thereafter:
(1) A current participating provider directory providing information on a covered person's access to primary care physicians and specialists, including the number of available participating physicians, by provider category or specialty and by county. The directory shall include the professional office address of a primary care physician and any hospital affiliation the primary care physician has. The directory shall also provide information about participating hospitals.
The carrier shall promptly notify each covered person prior to the termination or withdrawal from the carrier's provider network of the covered person's primary care physician;
(2) General information about the financial incentives between participating physicians under contract with the carrier and other participating health care providers and facilities to which the participating physicians refer their managed care patients;
(3) The percentage of the carrier's managed care plan's network physicians who are board certified;
(4) The carrier's managed care plan's standard for customary waiting times for appointments for urgent and routine care;
(5) The availability through the department, upon request of a member of the general public, of independent consumer satisfaction survey results and an analysis of quality outcomes of health care services of managed care plans in the State; and
(6) Information about the Managed Health Care Consumer Assistance Program established pursuant to P.L.2001, c.14 (C.26:2S-19 et al.) as prescribed by regulation of the commissioner, including the toll-free telephone number available to contact the program.
The carrier shall provide a prospective subscriber with information about the provider network, including hospital affiliations, and other information specified in this subsection, upon request.
b. Upon request of a covered person, a carrier shall promptly inform the person:

(1) whether a particular network physician is board certified; and

(2) whether a particular network physician is currently accepting new patients.

c. The carrier shall file the information required pursuant to this section with the department.

C.26:2S-25 Rules, regulations.

8. The Commissioner of Health and Senior Services, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), shall adopt rules and regulations to effectuate the purposes of this act.

9. This act shall take effect on July 1, 2000 or immediately, whichever is later.

Approved January 29, 2001.