

17B: 27-51.10a — 17B: 27-51.10c

LEGISLATIVE HISTORY CHECKLIST

NJSA: 17B:27-51.10a - 17B:27-51.10c

(Dental plans—allows employee to choose dentist - under health insurance dental benefits plans)

LAWS OF: 1983

CHAPTER: 145

Bill No: S788

Sponsor(s): Bornheimer and others

Date Introduced: Pre-filed

Committee: Assembly: Banking and Insurance

Senate: Labor, Industry and Professions

Amended during passage: Yes // Amendments during passage denoted by asterisks

Date of Passage: Assembly: March 14, 1983

Senate: Sept. 23, 1982

Date of Approval: April 20, 1983

Following statements are attached if available:

Sponsor statement:	Yes	//	
Committee statement:	Assembly	Yes	//
	Senate	Yes	//
Fiscal Note:	///	No	
Veto Message:	///	No	
Message on Signing:	///	No	
Following were printed:			
Reports:	///	No	
Hearings:	///	No	

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4-20-83

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SENATE, No. 788

STATE OF NEW JERSEY

PRE-FILED FOR INTRODUCTION IN THE 1982 SESSION

By Senators BORNHEIMER, HURLEY, COSTELLO and
McMANIMON

AN ACT concerning group health insurance, dental benefits plans
and supplementing chapter 27 of Title 17B of the New Jersey
Statutes.

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

1 1. Each employer or other organization which employs or has 25
2 or more employees or members during the full preceding calendar
3 year which contributes to a group health insurance contract which
4 restricts the covered persons in selecting the providers of dental
5 services to a single provider or limited number of providers, shall
6 also offer its employees or their eligible dependents or members
7 or members' eligible dependents at the time a dental benefits plan
8 is offered or renewed the option of selecting alternative coverage
9 which permits covered persons to obtain dental services from any
10 licensed ***[dental facility]*** *dentist*.*

1 2. An employer or other organization shall be required to pay or
2 contribute towards the provision of alternative coverage an amount
3 equal to the premium or cost which it pays or contributes to the
4 group health insurance contract for dental services which limits
5 the number of providers of dental services.

1 3. Within 120 days of the effective date of this act, the Commis-
2 sioner of the Department of Insurance shall promulgate rules
3 and regulations necessary to effectuate the purpose of this act,
4 including procedures for notice to covered persons, employers
5 and other organizations of the provisions of this act.

1 4. This act shall take effect immediately.

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

Matter printed in italics *thus* is new matter.

Matter enclosed in asterisks or stars has been adopted as follows:

*—Senate committee amendment adopted March 1, 1982.

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6 also offer its employees or their eligible dependents or members
7 or members' eligible dependents at the time a dental benefits plan
8 is offered or renewed the option of selecting alternative coverage
9 which permits covered persons to obtain dental services from any
10 licensed dental facility.

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5 and other organizations of the provisions of this act.

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STATEMENT

Many employers and other organizations provide their employees
with coverage for dental service which restrict the covered persons

to a single dentist or group of dentists. This bill requires that persons covered under a group health insurance contract issued under N. J. S. 17B:27-26 et seq. be offered the option of selecting alternative coverages for dental services which provides for freedom of choice in selecting their dentists. The employers are required to pay the same contribution for premiums for the alternative coverage.

ASSEMBLY BANKING AND INSURANCE COMMITTEE

STATEMENT TO

SENATE, No. 788

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STATE OF NEW JERSEY

DATED: JANUARY 31, 1983

Senate Bill No. 788 requires any employer with 25 or more employees, or any other organization with 25 or more members, during the preceding calendar year, which provides closed panel dental service coverage under a health insurance contract issued pursuant to Chapter 27 of Title 17B of the New Jersey Statutes, to offer its employees or members, and dependents, the option of selecting a dentist of their own choosing. The employer or organization is required to pay, for such alternative coverage, an amount equal to the premium or cost of the closed panel dental service coverage.

“Closed panel” plans are arrangements whereby the employer, organization or health insurer, limits the service providers to one or more dentists designated by the dental service plan. Closed panel plans may include a prior agreement by participating dentists to provide dental services at a negotiated rate. This bill prohibits the aforementioned employers or other organizations from limiting their employees or members to plan designated dentist(s).

SENATE LABOR, INDUSTRY AND PROFESSIONS
COMMITTEE

STATEMENT TO

SENATE, No. 788

with Senate committee amendments

STATE OF NEW JERSEY

DATED: MARCH 1, 1982

This legislation provides that every employer which employs 25 or more employees subscribing to a group health insurance contract issued pursuant to Chapter 27 of Title 17B of the Revised Statutes which restricts members of the group in the selection of a dentist must offer the employees the option of selecting alternative coverage which would permit them to go to a dentist of their own choosing. The employer would not be required to pay any amount greater than would be paid under the restricted plan.

Some dental plans provided by the employers are "closed panel" arrangements, whereby the employer or the health insurer makes an agreement with a dentist or dentists to provide services at an agreed-upon price. This legislation would prohibit employers from requiring that employees use the services of the employer-selected dentist and would permit them to select an alternative form of dental care.