

17B: 26-44.1 to 17B: 26-44.3
LEGISLATIVE HISTORY CHECKLIST

HJSA 17B:26-44.1 to 17B:26-44.3 (Individual health insurance - require reimbursement for certain services performed by dentists)

LAWS OF 1979 CHAPTER 161

Bill No. A1295

Sponsor(s) Bornheimer and others

Date Introduced April 27, 1978

Committee: Assembly Banking and Insurance
Senate Labor, Industry and Professions

Amended during passage Yes Amendments denoted by asterisks
According to Governor's recommendations
Date of Passage: Assembly June 22, 1978 Re-enacted June 18, 1979
Senate Dec. 4, 1978 Re-enacted June 25, 1979

Date of approval July 19, 1979

Following statements are attached if available:

Sponsor statement	Yes	<input checked="" type="checkbox"/> (Below)
Committee Statement: Assembly	Yes	<input checked="" type="checkbox"/>
Senate	<input checked="" type="checkbox"/>	No
Fiscal Note	<input checked="" type="checkbox"/>	No
Veto message	Yes	<input checked="" type="checkbox"/>
Message on signing	<input checked="" type="checkbox"/>	No

Following were printed:

Reports	<input checked="" type="checkbox"/>	No
Hearings	<input checked="" type="checkbox"/>	No

Sponsor's statement:

This bill, which deals with individual health contracts is part of a three-bill package that requires insurers to reimburse patients for services performed by dentists if such services are covered when provided by physicians. Companion bills are Assembly bills 1294 and 1296.

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[OFFICIAL COPY REPRINT]

ASSEMBLY, No. 1295

STATE OF NEW JERSEY

INTRODUCED APRIL 27, 1978

By Assemblymen BORNHEIMER, PASCULLI, Assemblywoman SZABO, Assemblyman BURNS, Assemblywoman CURRAN, Assemblymen CODEY, OTLOWSKI, KARCHER, HURLEY, D. GALLO, VAN WAGNER and VILLANE

Referred to Committee on Banking and Insurance

AN ACT concerning certain health insurance contracts and supplementing chapter 26 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. Notwithstanding any provision of a policy or individual health
2 insurance contract **hereafter delivered, issued for delivery,*
3 *amended, renewed or ratified in this State**, whenever such a policy
4 or contract provides for reimbursement for any service which is
5 within the lawful scope of practice of a duly licensed dentist, the
5A following provisions shall apply:

6 a. A person covered under such policy or contract shall be en-
7 titled to reimbursement for such service regardless of whether the
8 service is performed by a duly licensed physician or duly licensed
9 dentist.

10 b. Equal reimbursement rates shall be paid for services per-
11 formed, regardless of the discipline of the provider of the service.

1 2. ***[This act shall apply to all contracts in which the company has**
2 **reserved the right to change the premium.]*** **The provisions of*
3 *section 1 of this act shall also apply to any policy or contract of*
4 *individual health insurance already delivered or issued for delivery*
5 *in this State, if such policy or contract does not limit reimbursement*
6 *to specific types of duly licensed health care professionals other*
7 *than dentists.*

1 3. *For the purposes of this act, a policy or contract in which the*
2 *company has reserved the right to change the premium shall be*
3 *considered renewed as of the date on which the premium is changed*
4 *or is subject to change.**

1 ***[3.]*** **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.

ASSEMBLY BANKING AND INSURANCE COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1295

STATE OF NEW JERSEY

DATED: JUNE 8, 1978

This bill provides that whenever individual health insurance policies provide for reimbursement for any service which is within the lawful scope of the practice of a licensed dentist, the dentist may be reimbursed for his services under the terms of the contract.

It is alleged that some health insurers have denied benefits to insureds for services performed by dentists (such as the removal of a tumor from the mouth) which would be reimbursable if performed by a physician. This legislation would provide for the reimbursement of dentists in these cases; such reimbursement would be equal to that given physicians under the contract for performing the same procedure.

STATE OF NEW JERSEY
EXECUTIVE DEPARTMENT

June 11, 1979

ASSEMBLY BILL NO. 1295

To the General Assembly:

Pursuant to Article V, Section I, Paragraph 14(b) of the Constitution, I herewith return Assembly Bill No. 1295, with my recommendations for reconsideration.

This bill would require equal reimbursement for dentists performing covered services within the lawful scope of practice under individual health insurance policies. While many covered services fall within the lawful scope of practice of physicians and dentists, some insurers will only reimburse their insureds when the service is performed by a physician. This bill would eliminate such discrimination.

Assembly Bill No. 1295 needs to be reconsidered by the Legislature because its application to existing insurance policies which specifically limit reimbursement to licensed physicians could impair the obligation of contract in violation of Article I, Section X of the United States Constitution and Article IV, Section VII, Paragraph 3 of the New Jersey Constitution. See, Maryland Medical Service, Inc. v. Carver, 209 A.2d 582 (Md. Ct. App. 1965).

The bill should only apply to existing contracts which restrict reimbursement to physicians when they are amended, renewed or ratified. For the purposes of this bill, renewal should include the right of a company to increase the premium on an otherwise guaranteed renewable contract, since this bill does not increase the scope of covered services.

Accordingly, I herewith return Assembly Bill No. 1295 for reconsideration and recommend that it be amended as follows:

Page 1, Section 1, Line 2: After "insurance contract," add "hereafter delivered, issued for delivery, amended, renewed or ratified in this State,".

Page 1, Section 2, Lines 1 and 2: After "2", omit entirely and insert:
"The provisions of Section 1 of this act shall also apply to any policy or contract of individual health insurance already delivered or issued for delivery in this State, if such policy or contract does not limit reimbursement to specific types of duly licensed health care professionals other than dentists."

STATE OF NEW JERSEY
EXECUTIVE DEPARTMENT

Assembly Bill No. 1295

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3. For the purposes of this act, a policy or contract in which the company has reserved the right to change the premium shall be considered renewed as of the date on which the premium is changed or is subject to change."

Page 1, Section 3, Line 1: Omit "3.", and insert "4."

Respectfully,

/s/ Brendan Byrne

[seal]

Attest:

/s/ Robert E. Mulcahy, III

CHIEF OF STAFF, SECRETARY